

**MINUTES OF THE
BLANCHARD MAYOR AND TOWN COUNCIL
SPECIAL MEETING – JUNE 5, 2012
6:30 O’CLOCK**

PRESENT: Mayor Digilormo, Alderpersons Ashby, Lee and Prewett, Atty. Tom Arceneaux, Billy Boles, Candy Foshee-substituting for Debra Smith.

ABSENT: Alderpersons Jones and Whittington, Town Clerk Debra Smith.

Meeting started late at 6:52 p.m. Motion made by Prewett to dispense with formalities. Second by Ashby. All voted yea.

OLD BUSINESS

PUBLIC HEARING ORDINANCE 7 OF 2012 (4TH SUPPLEMENTAL BOND ORDINANCE

Public Hearing on Ordinance 7 of 2012 (4th Supplemental Bond Ordinance) was opened at 6:53 p.m. and closed at 6:54 p.m.

VOTE ON ORDINANCE 7 OF 2012

FOURTH SUPPLEMENTAL BOND ORDINANCE 7 of 2012

A supplemental Bond Ordinance amending the Second Supplemental Bond Ordinance 1 of 2011 and the Third Supplemental Bond Ordinance 2 of 2011, both adopted in accordance with the terms of a General Bond Ordinance adopted on November 24, 2009, with regard to the issuance of (i) not exceeding \$8,400,000 Water Revenue Bonds, Series 2012A, (ii) not exceeding \$4,930,000 Water Revenue Bonds, Series 2012B and (iii) not exceeding \$4,930,000 Bond Anticipation Notes, Series 2012, of the Town of Blanchard, State of Louisiana; and providing for other matters in connection therewith.

WHEREAS, on November 24, 2009, this Mayor and Board of Aldermen (the "Governing Authority") adopted a General Bond Ordinance entitled: "A General Bond Ordinance authorizing the issuance from time to time of Water Revenue Bonds of the Town of Blanchard, State of Louisiana; prescribing the form, and certain terms and conditions of said Bonds; providing for the payment thereof in principal and interest; agreeing not to issue further water revenue bonds under certain existing resolutions/ordinances; and providing for other matters in connection therewith" (the "General Bond Ordinance"), which authorizes the issuance of bonds from time to time for the aforesaid purposes; and

WHEREAS, on January 12, 2010, this Governing Authority adopted a First Supplemental Bond Ordinance that authorized \$3,657,000 of Water Revenue Bonds, Series 2010, of the Town of Blanchard, Louisiana, which bonds have been previous issued and are dated February 5, 2010; and

WHEREAS, on March 8, 2011, this Governing Authority adopted Second Supplemental Bond Ordinance 1 of 2011 entitled "A supplemental Bond Ordinance authorizing the issuance of not exceeding \$6,535,200 of Water Revenue Bonds, Series 2011A, of the Town of Blanchard, Louisiana, in accordance with the terms of a General Bond Ordinance adopted on November 24, 2009; prescribing the form, and certain terms and conditions of said Bonds; and providing for other matters in connection therewith" (the "Second Supplemental Ordinance"); and

WHEREAS, on March 8, 2011, this Governing Authority also adopted Third Supplemental Bond Ordinance 2 of 2011 entitled "A supplemental Bond Ordinance authorizing the issuance of not exceeding \$4,930,000 of Water Revenue Bonds, Series 2011B, of the Town of Blanchard, Louisiana, in accordance

with the terms of a General Bond Ordinance adopted on November 24, 2009; prescribing the form, and certain terms and conditions of said Bonds; authorizing the issuance of a Bond Anticipation Note in connection with said bonds; and providing for other matters in connection therewith" (the "Third Supplemental Ordinance"); and

WHEREAS, this Governing Authority now desires to adopt technical amendments to the Second Supplemental Ordinance and the Third Supplemental Ordinance, in order to facilitate the financing of the completion of the projects being financed with the indebtedness authorized therein;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Aldermen of the Town of Blanchard, State of Louisiana, acting as the governing authority of Town of Blanchard, State of Louisiana, that:

SECTION 1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings assigned thereto in the General Bond Ordinance, the Second Supplemental Ordinance and the Third Supplemental Ordinance, as the case may be.

SECTION 2. Amendments to Second Supplemental Ordinance. (a) The principal amount of bonds authorized in the Second Supplemental Ordinance, which are being purchased by the Drinking Water Revolving Loan Fund, shall be increased from not exceeding \$6,535,200 to not exceeding Eight Million Four Hundred Thousand Dollars (\$8,400,000), and shall be designated as "Water Revenue Bonds, Series 2012A, of the Town of Blanchard, State of Louisiana" (the "Series 2012A Bonds"). At the option of the Executive Officers, the series designation may be changed to reflect the year or precedence of issuance.

(b) The Series 2012A Bonds shall be entitled to principal forgiveness of up to the lesser of \$1,125,000 or thirty percent (30%) of the total amount of draws on the Series 2012A Bonds, as more fully described in the Loan Agreement.

(c) The Series 2012A Bonds shall mature in twenty (20) installments of principal, payable annually on each March 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest One Thousand Dollars (\$1,000), of the outstanding principal amount of the Bonds (taking into account any principal forgiveness) on the day before the applicable Principal Payment Date:

| <u>Date (March 1)</u> | <u>Percentage of Principal</u> | <u>Date (March 1)</u> | <u>Percentage of Principal</u> |
|---------------------------|------------------------------------|---------------------------|------------------------------------|
| 2014 | 3.554% | 2024 | 8.544% |
| 2015 | 3.812 | 2025 | 9.664 |
| 2016 | 4.100 | 2026 | 11.067 |
| 2017 | 4.423 | 2027 | 12.874 |
| 2018 | 4.787 | 2028 | 15.286 |
| 2019 | 5.202 | 2029 | 18.667 |
| 2020 | 5.676 | 2030 | 23.743 |
| 2021 | 6.226 | 2031 | 32.209 |
| 2022 | 6.868 | 2032 | 49.152 |
| 2023 | 7.629 | 2033 | 100.000 |

In the event that the Completion Date of the Project being financed with the Bonds is after March 1, 2014, the principal payment schedule set forth above may be adjusted so that each payment shall be due on the March 1 that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the delivery date of the Bonds.

(d) The form of the Series 2012A Bonds shall include a schedule wherein the dates and amount of the principal draws, and the amounts of principal forgiveness, shall be noted, shall include a reference to this Fourth Supplemental Ordinance and shall effect the changes authorized herein.

(e) The "Scheduled Completion Date" for the Series 2012A Bonds is July 1, 2013.

(f) All references to the 2011A Bonds in the Second Supplemental Ordinance shall be deemed to reference the Series 2012A Bonds described in this section.

SECTION 3. Amendments to Third Supplemental Ordinance. (a) The principal amount of bonds and bond anticipation notes authorized in the Third Supplemental Ordinance, which are being purchased by USDA, Rural Development, and the Drinking Water Revolving Loan Fund, respectively, shall continue to be \$4,930,000, however the indebtedness authorized therein shall be designated as "Water Revenue Bonds, Series 2012B, of the Town of Blanchard, State of Louisiana" (the "Series 2012B Bonds") and "Bond Anticipation Notes, Series 2012, of the Town of Blanchard, State of Louisiana" (the "Notes"). At the option of the Executive Officers, the series designation of the Series 2012B Bonds and/or the Notes may be changed to reflect the year or precedence of issuance.

(b) The form of the Series 2012B Bonds shall include a reference to this Fourth Supplemental Ordinance and shall effect the changes authorized herein.

(c) The "Scheduled Completion Date" for the Series 2012B Bonds is July 1, 2013.

(d) All references to the 2011B Bonds in the Third Supplemental Ordinance shall be deemed to reference the Series 2012B Bonds described in this section.

SECTION 4. Effective Date. This Fourth Supplemental Ordinance shall become effective immediately.

Motion made by Lee to adopt Ordinance 7 of 2012. Second by Prewett. All voted yea.

Roll Call Vote:

YEAS: Ashby, Lee, Prewett

NAYS: None

ABSENT: Jones, Whittington

And the Ordinance was declared adopted on this 5th day of June, 2012.

NEW BUSINESS

INTRODUCE ORDINANCE 8 OF 2012 and

INTRODUCE ORDINANCE 9 OF 2012

Lee made motion to postpone the introductions of Ordinance 8 of 2012 and Ordinance 9 of 2012. Second by Ashby. All voted yea.

Motion by Lee to adjourn. Second by Prewett. All voted yea. The meeting was adjourned at 6:55.

JOHNNY DIGILORMO, MAYOR

**CANDY FOSHEE, SUBSTITUTING FOR
DEBRA SMITH, TOWN CLERK**