



St. Bernard Parish Council

8201 West Judge Perez Drive Chalmette, Louisiana, 70043
(504) 278-4228 Fax (504) 278-4209
www.sbpg.net

Guy McInnis
*Councilman
at Large*

George Cavignac
*Councilman
at Large*

Ray Lauga, Jr.
*Councilman
District A*

Nathan Gorbaty
*Councilman
District B*

Richard "Richie" Lewis
*Councilman
District C*

Casey W. Hunnicutt
*Councilman
District D*

Manuel "Monty" Montelongo III
*Councilman
District E*

Roxanne Adams
Clerk of Council

#20

EXTRACT OF THE OFFICIAL PROCEEDINGS OF THE COUNCIL OF THE PARISH OF ST. BERNARD, STATE OF LOUISIANA, TAKEN AT A REGULAR MEETING HELD IN THE COUNCIL CHAMBERS OF THE ST. BERNARD PARISH GOVERNMENT COMPLEX, 8201 WEST JUDGE PEREZ DRIVE, CHALMETTE, LOUISIANA ON OCTOBER 6, 2015 AT SEVEN O'CLOCK P.M.

On motion of Mr. Lewis, seconded by Mr. Gorbaty, it was moved to adopt the following ordinance:

ORDINANCE SBPC #1694-10-15

Summary No. 3290

Introduced by: Administration on 9/15/15
Public hearing held on 10/6/15

A SUPPLEMENTAL BOND ORDINANCE AUTHORIZING THE ISSUANCE OF NOT EXCEEDING TEN MILLION DOLLARS (\$10,000,000) OF TAXABLE UTILITIES REVENUE BONDS, SERIES 2015A, OF THE PARISH OF ST. BERNARD, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF A GENERAL BOND ORDINANCE ADOPTED ON APRIL 21, 2015; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Parish of St. Bernard, State of Louisiana (the "Parish") now owns and operates a combined water and sewer system (the "System") as a combined revenue-producing work of public improvement; and,

WHEREAS, the Parish now wishes to issue not exceeding Ten Million Dollars (\$10,000,000) of Taxable Utilities Revenue Bonds with an equal lien on and dedication of the income and revenues of the System with \$11,000,000 of Taxable Utilities Revenue Bonds, Series 2015 (the "Outstanding Parity Bonds"); and

WHEREAS, on April 21, 2015, this Parish Council of the Parish of St. Bernard, State of Louisiana, acting as the governing authority of the Parish (the "Governing Authority"), adopted a General Bond Ordinance entitled: "A General Bond Ordinance authorizing the issuance from time to time of Utilities Revenue Bonds of the Parish of St. Bernard, State of Louisiana; prescribing the form, and certain terms and conditions of said Bonds; establishing funds and accounts relating to said Bonds; providing for the payment thereof in principal and interest including a rate covenant relating thereto; 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,



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WHEREAS, on April 21, 2015, this Governing Authority also adopted a First Supplemental Bond Ordinance (the "First Supplemental Bond Ordinance") authorizing the issuance of not exceeding \$11,000,000 of Taxable Utilities Revenue Bonds, Series 2015, for the purpose of financing the acquisition and construction of improvements to the drinking water portion of the System, which bonds were sold to the Drinking Water State Revolving Fund and delivered on June 25, 2015 (the "Outstanding Parity Bonds"); and

WHEREAS, pursuant to Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), and other constitutional and statutory authority (the "Act"), it is the desire of this Governing Authority to provide for the issuance of additional revenue bonds of the Parish, for the purpose of paying a portion of the cost of constructing and acquiring improvements and extensions to the sewerage portion of the System, including all necessary land, equipment and furnishings, and all engineering, legal and other incidental cost and fees, including cost of issuance thereof; and

WHEREAS, it is now the desire of this Governing Authority to authorize the issuance of not exceeding Ten Million Dollars (\$10,000,000) of Taxable Utilities Revenue Bonds, Series 2015A of the Parish;

NOW, THEREFORE, BE IT ORDAINED by the Parish Council of the Parish of St. Bernard, State of Louisiana, acting as governing authority of the Parish of St. Bernard, State of Louisiana, that:

SECTION 1. Definitions. In addition to words and terms elsewhere defined in the General Bond Ordinance and this Second Supplemental Bond Ordinance, the following words and terms as used in this Second Supplemental Bond Ordinance shall have the following meanings, unless some other meaning is plainly intended:

"Administrative Fee" means, with respect to the 2015A Bonds and any other Bonds purchased by the Department from the Clean Water State Revolving Fund, the annual fee equal to one-half of one percent (0.5%) per annum of the outstanding principal amount of such bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in two equal semi-annual installments on each Interest Payment Date.



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"Clean Water State Revolving Fund" means the Clean Water State Revolving Fund established by the State of Louisiana, pursuant to Subchapter II, Chapter 14 of Title 30 of the Louisiana Revised Statutes of 1950, as amended, specifically La. R.S. 30:2301, *et. seq.* in the custody of the Department, which is to be used for the purpose of providing financial assistance for the improvement of wastewater treatment facilities in the State, as more fully described in La. R.S. 30:2304.

"Completion Date" means, the earlier of (i) the date of the final disbursement of the purchase price of the 2015A Bonds to the Parish or (ii) the date that operation of the Project is initiated or capable of being initiated, as certified in accordance with the Loan Agreement.

"Department" means the Louisiana Department of Environmental Quality, an executive department and agency of the State, and any successor to the duties and functions thereof with respect to the Clean Water State Revolving Fund.

"Second Supplemental Ordinance" means this ordinance authorizing the issuance of the 2015A Bonds.

"General Bond Ordinance" means the General Bond Ordinance described in the preambles hereof.

"Loan Agreement" means the Loan and Pledge Agreement to be entered into by and between the Department and the Parish, prior to the delivery of the 2015A Bonds, which will contain certain additional agreements relating to the 2015A Bonds being purchased by the Department from the Clean Water State Revolving Fund, which Loan Agreement shall be in substantially the form attached hereto as Exhibit B, as it may be supplemented, modified or amended from time to time in accordance with the terms thereof.

"Outstanding Parity Bonds" means \$11,000,000 of Taxable Utilities Revenue Bonds, Series 2015.

"Paying Agent" with respect to the 2015A Bonds means the Director of Finance of the Parish, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the General Bond Ordinance.



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"2015A Bonds" means the Parish's Taxable Utilities Revenue Bonds, Series 2015A, authorized to be issued by this Second Supplemental Ordinance and particularly by Section 2 hereof.

SECTION 2. Authorization of Series 2015A Bonds. (a) In compliance with and under the authority of the Act and other constitutional and statutory authority supplemental thereto, there is hereby authorized the incurring of an indebtedness of not exceeding Ten Million Dollars (\$10,000,000) for, on behalf of and in the name of the Parish, for the purpose of paying a portion of the cost of constructing and acquiring improvements and extensions to the sewerage portion of the System, including all necessary land, equipment and furnishings, and all engineering, legal and other incidental cost and fees, and paying costs of issuance thereof, and to represent the indebtedness, this Governing Authority does hereby authorize the issuance of not exceeding Ten Million Dollars (\$10,000,000) of Taxable Utilities Revenue Bonds, Series 2015A, of the Parish. The 2015A Bonds shall be dated the Delivery Date thereof, and the exact principal amount of the bonds, not to exceed Ten Million Dollars (\$10,000,000), as stated above, shall be determined by the Executive Officers at the time of delivery of the 2015A Bonds

(b) The 2015A Bonds shall be Fixed Rate Bonds and the Interest Payment Dates shall be June 1 and December 1 of each year in which interest on the 2015A Bonds is payable, the first of which shall occur after the delivery of the 2015A Bonds to the Department and which shall occur semi-annually thereafter until the 2015A Bonds are paid in full. The 2015A Bonds shall bear interest at the rate of forty-five hundredths percent (0.45%) per annum, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on each Interest Payment Date, or such lower rate as may be in effect for loans from the Clean Water State Revolving Fund at the time of delivery. In addition to interest at the rate set forth above, at any time that the Department owns the 2015A Bonds the Parish will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any 2015A Bonds or the Department has pledged or assigned any 2015A Bonds in connection with its Clean Water State Revolving Fund and (ii) the Administrative Fee payable by the Parish to the Department under the terms of the Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the 2015A Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from



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which the Administrative Fee is no longer owed because of such illegality or unenforceability.

(c) The 2015A Bonds shall mature in twenty (20) installments of principal, payable annually on each June 1, beginning on June 1, 2018, or the first June 1 following the Completion Date, whichever is earlier, 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 2015A Bonds on the day before the applicable Principal Payment Date:

| Year (June 1) | Percentage of Principal | Year (June 1) | Percentage of Principal |
|------------------|----------------------------|------------------|----------------------------|
| 1 | 4.564% | 11 | 9.580% |
| 2 | 4.827 | 12 | 10.696 |
| 3 | 5.120 | 13 | 12.090 |
| 4 | 5.448 | 14 | 13.884 |
| 5 | 5.817 | 15 | 16.275 |
| 6 | 6.235 | 16 | 19.624 |
| 7 | 6.712 | 17 | 24.647 |
| 8 | 7.264 | 18 | 33.019 |
| 9 | 7.907 | 19 | 49.764 |
| 10 | 8.667 | 20 | 100.000 |

(d) The principal and interest on the 2015A Bonds shall be payable by check mailed to the registered owner of the 2015A Bonds (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent for such purpose, provided that payment of the final installment of principal on the 2015A Bonds shall be made only upon presentation and surrender of the 2015A Bonds to the Paying Agent.

(e) The principal installments of the 2015A Bonds are subject to prepayment at the option of the Parish at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date and in such case the remaining principal of the 2015A Bonds shall continue to mature in installments calculated using the percentages shown in Section 2(d) above.



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(f) The 2015A Bonds shall be issued in the form of a single fully registered bond, initially numbered R-1, and shall be in substantially the form attached hereto as Exhibit A.

(g) The Director of Finance of the Governing Authority shall be the initial Paying Agent for the 2015A Bonds.

(h) The 2015A Bonds are hereby awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution and authentication by the Paying Agent, the 2015A Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the Parish of the agreed purchase price. Pursuant to the Act and La. R.S. 39:1426(B), the Parish has determined to sell the 2015A Bonds at a private sale without the necessity of publishing any notice of sale.

(i) No proceeds of the 2015A Bonds shall be deposited into the Reserve Fund, however upon the delivery of the 2015A Bonds the Parish shall establish the "Series 2015A Account" in the Reserve Fund and shall deposit an amount equal to one-half of the highest amount of principal and interest due on the 2015A Bonds in any future Bond Year (the "Reserve Fund Requirement") within five (5) years after the Delivery Date. No changes are required at this time with respect to the Contingencies Fund established in the General Bond Ordinance.

(j) No proceeds of the 2015A Bonds will be used to refund any outstanding obligations.

(k) This Governing Authority finds and determines that the parity requirements of Section 6.01 of the General Bond Ordinance will have been met with respect to the 2015A Bonds, and at the time of payment of the initial installments of the purchase price of the 2015A Bonds the Parish will deliver a parity certification, or the Governing Authority at that time will have received a waiver of the parity requirements from the owner of the Outstanding Parity Bonds.



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Authority hereby determines that the same have been in all respects regular, therefore the 2015A Bonds shall contain the following recital, to-wit:

"It is certified that this bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of this State."

(m) The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of the General Bond Ordinance and this Second Supplemental Ordinance, to execute and deliver the Loan Agreement, and to cause the 2015A Bonds to be prepared and/or printed, to issue, execute and seal the 2015A Bonds and to effect delivery thereof as hereinafter provided. In connection with the issuance and sale of the 2015A Bonds, the Executive Officers and the Director of Finance of the Governing Authority are each authorized, empowered and directed to execute on behalf of the Parish such additional documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this Ordinance. The signature of said on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

(n) The Bonds are not being designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

(o) The Bonds are not being designated as "Build America Bonds" or any similar type of tax-advantaged bonds requiring a designation at this time.

(p) It is recognized that the Parish will not be required to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)], because (i) the 2015A Bonds are not being purchased by a broker, dealer or municipal securities dealer acting as an underwriter in a primary offering of municipal securities, and (ii) the 2015A Bonds are being sold to only one



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financial institution (i.e., no more than thirty-five persons), which has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment in the 2015A Bonds and is not purchasing the 2015A Bonds for more than one account or with a view to distributing the Bonds.

(q) Inasmuch as the Bonds are not being issued as tax-exempt or tax-advantaged bonds, no post-issuance tax compliance procedures are needed.

(r) Application to the State Bond Commission has previously been authorized.

(s) There will be no Credit Enhancement with respect to the 2015A Bonds.

(t) The "Scheduled Completion Date" for the 2015A Bonds Project shall be the date specified as such in a closing certification delivered by the Executive Officers to the Department on the Delivery Date. The Loan Agreement, in substantially the form attached hereto as Exhibit B, is hereby approved, and the Executive Officers are authorized to execute and deliver the aforesaid documents on behalf of the Parish, with such changes as may be deemed necessary, upon the advice of counsel, in connection with the 2015A Bonds. The Executive Officers are further authorized to execute and deliver any supplemental loan agreement or cooperative endeavor agreement as may be necessary in connection with any additional subsidization offered by the Department.

With the advice of Bond Counsel, the Executive Officers are further authorized and directed to execute on behalf of the Issuer a Commitment Agreement by and between the Department and the Issuer which the Department may require as a prerequisite to the execution of the Loan Agreement, said Commitment Agreement to be substantially in the form of the Commitment Agreement on file with the Secretary of the Issuer.

SECTION 3. Davis-Bacon Wage Rate Requirements. The Parish agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the Project that is funded in whole or in part with the Series 2015A



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Bonds shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the Parish as determined by the Secretary of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code, and as further described in the Loan Agreement.

SECTION 4. Use of American Iron and Steel Products. In order to comply with Title IV, Division G of the Consolidated Appropriations Act, 2014 (P.L. 113-76) the Parish agrees that all of the iron and steel, products used in the portion of the Project that is funded in whole or in part with the 2015A Bonds shall be produced in the United States, subject to the conditions set forth in the Loan Agreement.

SECTION 5. Parties Interested Herein. Nothing in this Second Supplemental Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Parish, the Paying Agent and the Owners of the Series 2015A Bonds any right, remedy or claim under or by reason of this Second Supplemental Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Second Supplemental Ordinance contained by and on behalf of the Parish shall be for the sole and exclusive benefit of the Parish, the Paying Agent and the Owners of the Series 2015A Bonds.

SECTION 6. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Second Supplemental Ordinance against any member of the Governing Authority or officer of the Parish or any person executing the Bonds.

SECTION 7. Successors and Assigns. Whenever in this Second Supplemental Ordinance the Parish is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Second Supplemental Ordinance contained by or on behalf of the Parish shall bind and enure to the benefit of its successors and assigns whether so expressed or not.

SECTION 8. Severability. In case any one or more of the provisions of this Second Supplemental Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Second Supplemental Ordinance or of the Bonds, but this Second Supplemental Ordinance and the Bonds shall be construed and enforced as



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if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this Second Supplemental Ordinance which validates or makes legal any provision of this Second Supplemental Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this Second Supplemental Ordinance and to the Bonds.

SECTION 9. Publication; Peremption. This Second Supplemental Ordinance shall be published one time in the official journal of the Parish, or if there is none, in a newspaper having general circulation in the Parish. It shall not be necessary to publish the exhibits to this Second Supplemental Ordinance but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal. For a period of thirty (30) days after the date of such publication any persons in interest may contest the legality of this Second Supplemental Ordinance and any provisions herein made for the security and payment of the Bonds. After such thirty day period no one shall have any cause or right of action to contest the regularity, formality, legality, or effectiveness of this Second Supplemental Ordinance and the provisions hereof or of the Bonds authorized hereby for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the Bonds authorized pursuant to this Second Supplemental Ordinance within the thirty days herein prescribed, the authority to issue the Bonds or to provide for the payment thereof, and the legality thereof, and all of the provisions of this Second Supplemental Ordinance and such Bonds shall be conclusively presumed, and no court shall have authority or jurisdiction to inquire into any such matter.

SECTION 10. Effective Date. This Second Supplemental Ordinance shall become effective immediately.

The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Lauga, Gorbaty, Lewis, Hunnicutt, Montelongo

NAYS: None

ABSENT: McInnis

The Chairman, Mr. Cavignac, cast his vote as YEA.

And the motion was declared adopted on the 6th day of October, 2015.



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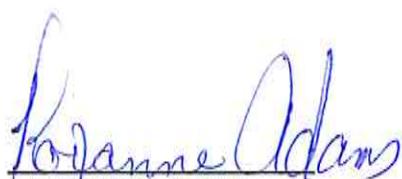
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CLERK OF COUNCIL



GEORGE CAVIGNAC
COUNCIL CHAIRMAN

Delivered to the Parish President 10/8/2015 2:10pm

Date and Time



Approved _____

Vetoed _____

Parish President

David E. Peralta

Returned to Clerk of the Council

Date and Time

Received by _____

EXHIBIT A
to Second Supplemental Bond Ordinance

[FORM OF BOND]

INTEREST ON THIS BOND WILL BE INCLUDED IN GROSS INCOME
FOR FEDERAL INCOME TAX PURPOSES AND IS NOT
EXEMPT FROM FEDERAL INCOME TAXATION.

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ST. BERNARD

TAXABLE UTILITIES REVENUE BOND, SERIES 2015A
OF THE
PARISH OF ST. BERNARD, STATE OF LOUISIANA

| Bond Number | Bond Date | Interest Rate | Principal Amount |
|----------------|--------------|------------------|---------------------|
| R-1 | , 2015 | 0.45% | \$10,000,000 |

FOR VALUE RECEIVED, the Parish of St. Bernard, State of Louisiana (the "Parish"), hereby promises to pay (but only from the sources hereinafter described) to:

REGISTERED OWNER: LOUISIANA DEPARTMENT OF
ENVIRONMENTAL QUALITY
ATTN: Financial Services Division,
Accounts Receivable
P. O. Box 4311
Baton Rouge, LA 70821-4311 (the "Department")

or registered assigns noted on the registration record attached hereto, but solely from the revenues hereinafter specified, the Principal Amount set forth above (unless a lower Principal Amount applies, as set forth below), together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, unless this Bond shall have been previously called for prepayment and payment shall have been duly made or provided for.

This Bond shall bear interest, payable semi-annually on June 1 and December 1 of each year, commencing _____ 1, 201__ (each, an "Interest Payment Date"), at the Interest Rate shown above, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Bonds on any Interest Payment Date shall be payable only on the aggregate amount of the purchase price which shall have been paid theretofore, as noted on Schedule A hereto, and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

If the Department is the registered owner of this Bond, the Parish will additionally pay an Administrative Fee to the Department at the annual rate of one-half of one percent (0.50%) on the outstanding principal amount of the Bond, payable on each Interest Payment Date. In the event (i) the Department owns this Bond or the Department has pledged or assigned this Bond in connection with its Clean Water State Revolving Fund Program and (ii) the Administrative Fee payable to the Department is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, then the "Annual Interest Rate" shown in the foregoing table and borne by this Bond shall be increased by one-half of one percent (0.5%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

This Bond shall mature in twenty (20) installments of principal, payable annually on each June 1, beginning June 1, 2018, or the first June following the Completion Date, whichever is earlier, 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 Bonds on the day before the applicable Principal Payment Date:

| <u>Date (June 1)</u> | <u>Percentage of Principal</u> | <u>Date (June 1)</u> | <u>Percentage of Principal</u> |
|--------------------------|------------------------------------|--------------------------|------------------------------------|
| 1 | 4.564 | 11 | 9.580 |
| 2 | 4.827 | 12 | 10.696 |
| 3 | 5.120 | 13 | 12.090 |
| 4 | 5.448 | 14 | 13.884 |
| 5 | 5.817 | 15 | 16.275 |
| 6 | 6.235 | 16 | 19.624 |
| 7 | 6.712 | 17 | 24.647 |
| 8 | 7.264 | 18 | 33.019 |
| 9 | 7.907 | 19 | 49.764 |
| 10 | 8.667 | 20 | 100.000 |

The principal and interest on this Bond shall be payable by check mailed to the registered owner of this Bond (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent (hereinafter defined) for such purpose, provided that payment of the final installment of principal on this Bond shall be made only upon presentation and surrender of this Bond to the Paying Agent.

The principal installments of this Bond are subject to prepayment at the option of the Parish at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date. In such case, the remaining principal shall continue to mature in annual installments calculated using the percentages shown above.

In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered to the Director of Finance of the Parish Council of the Parish of St. Bernard, State of Louisiana, as initial Paying Agent for the Bonds (the "Paying Agent"), who shall note the amount of such prepayment in the space provided therefor on Schedule B to this Bond. Official notice of such call of this Bond for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than thirty (30) days prior to the prepayment date addressed to the registered owner of this Bond to be prepaid at his

address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner. The Parish shall cause to be kept at the office of the Paying Agent a register in which registration of this Bond and of transfers of the Bonds shall be made as provided herein and in the Ordinance. This Bond may be transferred, registered and assigned only on such registration records of the Paying Agent, and such registration shall be at the expense of the Parish.

This Bond represents the entire issue of bonds of the Parish designated "Taxable Utilities Revenue Bonds, Series 2015A" aggregating in principal the sum of Ten Million Dollars (\$10,000,000) (the "Bonds"), the Bonds having been issued by the Parish pursuant to a General Bond Ordinance adopted by Parish Council of the Parish of St. Bernard, State of Louisiana, acting as the governing authority of the Parish, on April 21, 2015, as supplemented by a Second Supplemental Bond Ordinance adopted by said governing authority on October 8, 2015 (collectively, the "Ordinance"), for the purpose of paying Costs of the Project, as defined in the Ordinance, consisting generally of improvements to the sewerage portion of the System (hereinafter defined), and paying costs of issuance, under the authority conferred by Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, *et seq.*), and other constitutional and statutory authority, pursuant to all requirements therein specified.

The Bond is payable as to both principal and interest solely by a pledge of the revenues of the Parish's combined utilities system consisting of facilities that are used for the purpose of (i) collecting, treating, storing, holding, distributing or transporting drinking water, and (ii) collecting, treating, storing, holding, transporting and disposing of sewage and wastewater, as said combined system now exists and as it may be hereafter improved, extended or supplemented from any source whatsoever while this Bond remains outstanding, including specifically all properties of every nature owned, leased or operated by the Parish and used or useful in the operation of the system, and including real estate, personal and intangible properties, contracts, franchises, leases and chooses in action, whether lying within or without the boundaries of the Parish, as more fully described in the Ordinance (the "System"), after there have been deducted therefrom the reasonable and necessary expenses of operating and maintaining the System (the "Net Revenues"), and are issued on a complete parity with the Parish's Taxable Utilities Revenue Bonds, Series 2015, dated June 25, 2015 (the "Outstanding Parity Bonds"). This Bond constitutes a borrowing solely upon the credit of said revenues of the System and do not constitute an indebtedness or pledge of the general credit of the Parish within the meaning of any constitutional or statutory limitation of indebtedness. Subject to the foregoing, the Net Revenues are irrevocably and irrepealably pledged in an amount sufficient for the payment of the Outstanding Parity Bonds and this Bond and the issue of which it forms a part in principal and interest as they shall respectively become due and payable, and for the other purposes set forth in the Ordinance. The Net Revenues shall be set aside in the funds and accounts described in the Ordinance and shall be and remain so pledged for the security and payment of the Outstanding Parity Bonds and this Bond in principal and interest, and for all other payments provided in the Ordinance, until this Bond shall be fully paid and discharged.

Subject to the additional provisions set forth in the Ordinance, the governing authority of the Parish has covenanted and agreed and does hereby covenant and agree to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities furnished by the System, as shall be sufficient to provide for the payment of all reasonable and necessary expenses of operation and maintenance of the System, to provide for the payment of interest on and principal of all bonds or other obligations payable therefrom as and when the same shall become due and payable, for the creation of a reserves therefor, and for the provision of a reserve to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System. For a more complete statement of

the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to the Ordinance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of registration hereon shall have been signed by the Paying Agent.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond necessary to constitute the same a legal, binding and valid obligations of the Parish have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the Parish, including this Bond, does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana, and that this Bond shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof.

IN WITNESS WHEREOF, the Parish Council of the Parish of St. Bernard, State of Louisiana, acting as the governing authority of the Parish, has caused this Bond to be signed in the name of the Parish by the Parish President and attested by its Clerk of the Council, the corporate seal of the Parish to be hereon impressed, and this Bond to be dated as of the Dated Date set forth above.

PARISH OF ST. BERNARD, STATE OF LOUISIANA

ATTEST:

By:



Parish President

By:



Clerk of the Council

(SEAL)

* * * * *

REGISTRATION RECORD

TAXABLE UTILITIES REVENUE BOND, SERIES 2015A
OF THE
PARISH OF ST. BERNARD, STATE OF LOUISIANA

| Name and Address Of Registered Owner | Date of Registration | Signature of Director of Finance as Paying Agent |
|---|-------------------------|--|
| Department of Environmental Quality Clean Water State Revolving Fund P. O. Box 4311 Baton Rouge, LA 70821 4311 | | |
| | | |
| | | |

**SCHEDULE OF PRINCIPAL DRAWS AND PRINCIPAL BALANCE
TAXABLE UTILITIES REVENUE BOND, SERIES 2015A
OF THE
PARISH OF ST. BERNARD, STATE OF LOUISIANA**

| No. | Date of Payment | Amount of Payment | Pursuant to Requisition No. | Cumulative Outstanding Principal Amount |
|-----|-----------------|-------------------|-----------------------------|---|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| 16 | | | | |
| 17 | | | | |
| 18 | | | | |
| 19 | | | | |

SCHEDULE B
SCHEDULE OF PREPAYMENTS

**TAXABLE UTILITIES REVENUE BOND, SERIES 2015A
OF THE
PARISH OF ST. BERNARD, STATE OF LOUISIANA**

EXHIBIT B
to Second Supplemental Bond Ordinance

[FORM OF LOAN & PLEDGE AGREEMENT]

STATE OF LOUISIANA

PARISH OF ST. BERNARD

I, the undersigned Clerk of Council of the Parish of St. Bernard, State of Louisiana, do hereby certify that the foregoing pages constitute a true and correct copy of a Second Supplemental Bond Ordinance authorizing the issuance of not exceeding Ten Million Dollars (\$10,000,000) of Taxable Utilities Revenue Bonds, Series 2015A, of the Parish of St. Bernard, State of Louisiana, in accordance with the terms of a General Bond Ordinance adopted on April 21, 2015; prescribing the form, and certain terms and conditions of said Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this, the 8th day of October, 2015.



Bernanne Adams
Clerk of the Council