

1 Introduced January 13, 2026, by Councilman
2 DiSanti, seconded by Councilman Brownfield,
3 (by request of Administration)

4 **Item No. 26-01-3622**

5 **ORDINANCE NO. 4268**

6
7 An ordinance authorizing the issuance by the City of Slidell, State of
8 Louisiana, of its Taxable Utilities Revenue Bonds (DEQ) in an amount not to
9 exceed Five Million One Hundred Thousand Dollars (\$5,100,000), and
10 providing for other matters in connection therewith.

11 **WHEREAS**, the City of Slidell, State of Louisiana (the "**City**"), now owns and
12 operates a combined waterworks system and sewer system (the "**Utilities System**") as a
13 revenue-producing work of public improvement, and proposes to make improvements,
14 extensions, renewals, replacements and repairs to the sewer portion of the combined
15 Utilities System (the "**Project**"); and

16 **WHEREAS**, the City proposes to finance the cost of the Project through the
17 issuance of its Taxable Utilities Revenue Bonds, payable as to principal, interest and
18 Administrative Fee solely from the income and revenues to be derived by the City from the
19 operation of the Utilities System, after provision has been made for the payment therefrom
20 of the reasonable and necessary expenses of administering, operating and maintaining the
21 Utilities System, pursuant to the provisions of Part II of Chapter 4 of Subtitle II of Title 39 of
22 the Louisiana Revised Statutes of 1950, as amended, and other constitutional and
23 statutory authority (the "**Act**"); and

24 **WHEREAS**, pursuant to the authority of the Act, this Slidell City Council (the
25 "**Governing Authority**"), acting as the governing authority of the City, by a resolution
26 adopted on December 9, 2025, gave notice of its intention to issue Taxable Utilities
27 Revenue Bonds of the City in an amount not exceeding \$5,100,000 without the necessity
28 of the holding of an election thereon, which notice of intention was published on December
29 17, 24, 31, 2025 and January 7, 2026, and thereafter this Governing Authority held a
30 public hearing on January 27, 2026 at which no objections were made to the issuance of
31 such bonds and no petitions were filed requesting an election thereon; and

32 **WHEREAS**, it is now the desire of this City to authorize the issuance of its Taxable
33 Utilities Revenue Bonds (DEQ), Series 2026, in an amount not to exceed Five Million One
34 Hundred Thousand Dollars (\$5,100,000) (the "**Bonds**") in accordance with the terms and
35 provisions of the Act and for the purposes set forth above, the Bonds being issued
36 pursuant to the aforesaid notice of intention; and

37 **WHEREAS**, at this time, the City has no outstanding indebtedness that is payable
38 from a pledge and dedication of the Net Revenues (hereinafter defined) EXCEPT its
39 outstanding (i) Taxable Utilities Revenue Bonds (DEQ), Series 2018, and (ii) Taxable
Utilities Revenue Bonds (LDH), Series 2022 (collectively, the "**Outstanding Parity
Bonds**"); and

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 2**

4 **WHEREAS**, the United States of America, pursuant to the Clean Water Act of 1972,
5 as amended by the Water Quality Act of 1987, specifically Subchapter VI, Chapter 26 of
6 Title 33 of the United States Code (the "**Federal Act**"), is authorized to make capitalization
7 grants to states to be used for the purpose of establishing a water pollution control
8 revolving fund for providing assistance (i) for construction of treatment works (as defined in
9 Section 1292 of the Federal Act) which are publicly owned, (ii) for implementing a
10 management program under Section 1329 of the Federal Act and (iii) for developing and
11 implementing a conservation and management plan under Section 1330 of the Federal
12 Act; and

13 **WHEREAS**, the State of Louisiana (the "**State**"), pursuant to Subtitle II, Chapter 14
14 of Title 30 of the Louisiana Revised Statutes of 1950, as amended, specifically La. R.S.
15 30:2301, *et seq.* (the "**State Act**"), has established a Clean Water State Revolving Fund
16 (the "**State Revolving Fund**") in the custody of the Louisiana Department of
17 Environmental Quality (the "**Department**") to be used for the purpose of providing financial
18 assistance for the improvement of wastewater treatment facilities in the State, as more
19 fully described in Section 2302 of the State Act, and has authorized the Department to
20 administer the State Revolving Fund in accordance with applicable federal and state law;
21 and

22 **WHEREAS**, the City has made application to the Department for a loan from the
23 State Revolving Fund to finance a portion of the costs of the Project, and the Department
24 has approved the City's application for such loan; and

25 **WHEREAS**, the Bonds will be issued to represent the City's obligation to repay the
26 loan from the State Revolving Fund; and

27 **WHEREAS**, the State Bond Commission approved the issuance of the Bonds at its
28 meeting on January 15, 2026; and

29 **WHEREAS**, the City desires to fix the details necessary with respect to the
30 issuance, sale and delivery of the Bonds and to provide for the authorization and issuance
31 thereof, as hereinafter provided.

32 **NOW, THEREFORE, BE IT ORDAINED** by the Slidell City Council, acting as the
33 governing authority of the City, that:

34 **SECTION 1. Definitions.** As used herein, the following terms shall have the
35 following meanings, unless the context otherwise requires:

36 "**Act**" means Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised
37 Statutes of 1950, as amended, and other constitutional and statutory authority.

38 "**Additional Parity Bonds**" means any *pari passu* additional bonds that may
39 hereafter be issued pursuant to Section 17 hereof on a parity with the Bonds.

"**Administrative Fee**" means the annual fee equal to one-half of one percent
(0.50%) per annum of the outstanding principal amount of the Bonds, or such lesser

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 3**

4 amount as the Department may approve from time to time, which shall be payable each
5 year in semi-annual installments on each Interest Payment Date.

6 **"Bond"** or **"Bonds"** means the City's Taxable Utilities Revenue Bonds (DEQ),
7 authorized to be issued pursuant to this Bond Ordinance in the total principal amount of
8 not exceeding Five Million One Hundred Thousand Dollars (\$5,100,000), and any Bond of
9 said issue, whether initially delivered or issued in exchange for, upon transfer of, or *in lieu*
10 of any previously issued.

11 **"Bond Ordinance"** means this Ordinance authorizing the issuance of the Bonds.

12 **"Bond Register"** means the registration books of the Paying Agent in which
13 registration of the Bonds and transfers of the Bonds shall be made as provided herein.

14 **"Bond Year"** means the one year period ending on each Principal Payment Date.

15 **"Business Day"** means a day of the year on which banks located in the City of
16 New Orleans are not required or authorized to remain closed and on which the New York
17 Stock Exchange is not closed.

18 **"City"** means the City of Slidell, State of Louisiana, a political and governmental
19 subdivision of the State, and its successors or assigns.

20 **"Completion Date"** means the earlier of (i) the date of the final disbursement of the
21 purchase price of the Bonds to the City, or (ii) the date the operation of the Project is
22 initiated or capable of being initiated, as certified by an Executive Officer in accordance
23 with the Loan Agreement.

24 **"Consulting Engineer"** means a regionally known consulting engineer or firm of
25 consulting engineers with skill and experience in the construction and operation of publicly
26 owned drinking water and wastewater disposal systems.

27 **"Department"** means the Louisiana Department of Environmental Quality, an
28 executive department and agency of the State, and any successor to the duties and
29 functions thereof.

30 **"Executive Officers"** means the Mayor of the City and the President, Vice
31 President and/or Council Administrator of the Governing Authority.

32 **"Fiscal Year"** means the City's one-year accounting period determined from time to
33 time by the Governing Authority as the fiscal year of the City, currently being the year
34 ending each June 30.

35 **"Governing Authority"** means the Slidell City Council.

36 **"Interest Payment Date"** means each April 1 and October 1, commencing on the
37 first such date to occur following the delivery of the Bonds.
38
39

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 4**

4 **"Loan"** means the loan made by the Department from the Clean Water State
5 Revolving Fund to the City pursuant to the Loan Agreement, the obligation to repay which
6 Loan is evidenced by the Bonds.

7 **"Loan Agreement"** means the Loan and Pledge Agreement to be entered into by
8 and between the Department and the City prior to the delivery of the Bonds, in
9 substantially the form presented at this meeting, which will contain certain additional
10 agreements relating to the Bonds and the Project, as it may be supplemented or amended
11 from time to time in accordance with the provisions thereof.

12 **"Net Revenues"** means the income and revenues derived or to be derived from the
13 operation of the Utilities System, after provision has been made for the payment therefrom
14 of the reasonable and necessary expenses of administering, operating and maintaining the
15 Utilities System (excluding depreciation).

16 **"Outstanding"** when used with respect to Bonds means, as of the date of
17 determination, all Bonds or portions thereof theretofore issued and delivered under this
18 Bond Ordinance, except:

- 19 (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying
20 Agent for cancellation;
- 21 (b) Bonds for whose payment or prepayment sufficient funds have been
22 theretofore deposited in trust for the Owners of such Bonds as provided in
23 Section 25 herein provided that, if such Bonds are to be prepaid, irrevocable
24 notice of such prepayment has been duly given or provided for pursuant to
25 this Bond Ordinance, to the satisfaction of the Paying Agent, or waived;
- 26 (c) Bonds in exchange for or *in lieu* of which other Bonds have been registered
27 and delivered pursuant to this Bond Ordinance; and
- 28 (d) Bonds alleged to have been mutilated, destroyed, lost or stolen which have
29 been paid as provided in this Bond Ordinance.

30 **"Outstanding Parity Bond Ordinance"** means Ordinance No. 3885, adopted by
31 the Governing Authority on April 24, 2018 and Ordinance No.3312, adopted on March 10,
32 2020, which authorized the issuance of the Outstanding Parity Bonds.

33 **"Outstanding Parity Bonds"** means the City's outstanding (i) Taxable Utilities
34 Revenue Bonds (DEQ), Series 2018, and (ii) Taxable Utilities Revenue Bonds (LDH),
35 Series 2022.

36 **"Owner" or "Owners"** when used with respect to any Bond means the Person in
37 whose name such Bond is registered in the Bond Register.

38 **"Paying Agent"** means the Council Administrator of the Governing Authority,
39 unless and until a successor Paying Agent shall have assumed such responsibilities
pursuant to this Bond Ordinance.

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 5**

4 **"Person"** means any individual, corporation, partnership, joint venture, association,
5 joint stock company, trust, unincorporated organization, or government or any agency or
6 political subdivision thereof.

7 **"Principal Payment Date"** means each April 1, commencing not later than one
8 year after the Completion Date, provided that in no event shall the final maturity of the
9 Bonds be more than twenty-two (22) years from the date of the Bonds.

10 **"Project"** means making improvements, extensions, renewals, replacements and
11 repairs to the sewer portion of the combined Utilities System, as further described in the
12 Loan Agreement.

13 **"Qualified Investments"** means those investments permitted under State Law,
14 including but not limited to La. R.S. §33:2955.

15 **"Record Date"** means the 15th calendar day of the month next preceding such
16 Interest Payment Date, whether or not such day is a Business Day.

17 **"Reserve Fund"** and **"Reserve Account"** have the meanings given such terms in
18 Section 14 hereof.

19 **"Series 2026 Bonds Reserve Account"** means the account in the Reserve Fund
20 established in such name and maintained pursuant to Section 14 of this Bond Ordinance.

21 **"Series 2026 Bonds Reserve Requirement"** means as of any date of calculation,
22 a sum equal to one-half of the maximum principal, interest, and Administrative Fee
23 requirements for any succeeding Bond Year on the Bonds.

24 **"State"** means the State of Louisiana.

25 **"Utilities System"** means the revenue producing public utility comprised of the
26 combined waterworks system and sewer system of the City, presently servicing
27 substantially all of the potable water and sewerage users in the City, and any future
28 additions thereto, as said systems now exist and as the same may be improved, extended
29 or supplemented from any source while any of the Bonds remain outstanding, including all
30 real estate, personal and intangible properties, contracts, franchises, leases and choices in
31 action, and including specifically all properties now or hereafter operated by the City under
32 lease or agreement with any other individual, partnership or corporation, public or private,
33 as a part of the Utilities System, whether lying within or without the boundaries of the City.

34 **"Utilities System Fund"** means the fund of such name described in Section 14
35 hereof.

36 **SECTION 2. Authorization of Bonds.** In compliance with and under the authority
37 of the Act, and other constitutional and statutory authority, there is hereby authorized the
38 incurring of an indebtedness of not exceeding Five Million One Hundred Thousand Dollars
39 (\$5,100,000) for, on behalf of and in the name of the City, for the purpose of financing the
Project and for paying costs of issuance of the Bonds. To represent said indebtedness, the

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 6**

4 City does hereby authorize the issuance of its "*Taxable Utilities Revenue Bonds (DEQ),*
5 *Series 2026,*" in an amount not to exceed Five Million One Hundred Thousand Dollars
6 (\$5,100,000). The Bonds shall be initially issued in the form of a single, fully registered
7 Bond numbered R-1, shall be dated the date of delivery thereof and shall be in
8 substantially the form attached hereto as **Exhibit A**. It is expressly provided that if the
9 Bonds are delivered in a calendar year other than the 2026, the series designation shall
change accordingly on the Bonds and throughout this Bond Ordinance.

10 The Bonds shall mature in twenty (20) installments of principal, payable annually on
11 each Principal Payment Date, and each annual installment shall be due as set forth in the
12 Loan Agreement and the Bond.

13 The unpaid principal of the Bonds shall bear interest from the date thereof, or the
14 most recent Interest Payment Date to which interest has been paid or duly provided for, at
15 the rate of forty-five hundredths of one percent (0.45%) per annum, said interest to be
16 calculated on the basis of a 360-day year consisting of twelve 30-day months and payable
17 on each Interest Payment Date. Interest on the Bonds on any Interest Payment Date shall
18 be payable only on the aggregate amount of the purchase price which shall have been
19 paid theretofore to the City and is outstanding and shall accrue with respect to each
purchase price installment only from the date of payment of such installment.

20 In addition to interest at the rate set forth above, at any time that the Department
21 owns the Bonds the City will pay the Administrative Fee to the Department on each
22 Interest Payment Date. In the event (i) the Department owns any Bonds or the Department
23 has pledged or assigned any Bonds in connection with its Clean Water State Revolving
24 Fund and (ii) the Administrative Fee payable by the City to the Department under the terms
25 of the Loan Agreement is declared illegal or unenforceable by a court or an administrative
26 body of competent jurisdiction, the interest rate borne by the Bonds shall be increased by
27 one-half of one percent (0.50%) per annum, effective as of the date declared to be the
28 date from which the Administrative Fee is no longer owed because of such illegality or
unenforceability. The Administrative Fee shall be calculated in the same manner as
interest on the Bonds.

29 **SECTION 3. Prepayment.** The principal installments of the Bonds are subject to
30 prepayment at the option of the City at any time, in whole or in part, at a prepayment price
31 of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date
32 and in such case the remaining principal of the Bonds shall continue to mature in
33 installments calculated using the percentages shown in Section 2 above. Official notice of
34 such call for prepayment shall be given by means of first class mail, postage prepaid by
35 notice deposited in the United States Mail or via accepted means of electronic
36 communication not less than twenty (20) days prior to the prepayment date addressed to
37 the Owner of each Bond to be prepaid at his address as shown on the registration records
38 of the Paying Agent. In the event a portion of the Bonds is to be prepaid, such Bonds shall
39

4 be surrendered to the Paying Agent, who shall note the date and amount of such
5 prepayment in the space provided therefor on the Bonds.

6 **SECTION 4. Security for Payment of Bonds.** The Bonds shall be secured and
7 payable in principal, interest, and Administrative Fee exclusively by a pledge of the Net
8 Revenues. The Net Revenues are hereby irrevocably and irrevocably pledged in an
9 amount sufficient for the payment of the Bonds and the Outstanding Parity Bonds in
10 principal, interest, and Administrative Fee as the installments thereof fall due, and the
11 income and revenues thus pledged shall remain so pledged for the security of the Bonds
12 and the Outstanding Parity Bonds in principal, interest, and Administrative Fee until they
13 shall have been fully paid and discharged.

14 In providing for the issuance of the Bonds, the City does hereby covenant and
15 warrant that it is lawfully seized and possessed of the Utilities System, that it has a legal
16 right to pledge the Net Revenues therefrom as herein provided, that the Bonds will have a
17 lien and privilege on the Net Revenues on a parity with the Outstanding Parity Bonds, and
18 that the City will at all times maintain the Utilities System in first-class repair and working
19 order and condition.

20 **SECTION 5. Bond Ordinance a Contract.** The provisions of this Bond Ordinance
21 shall constitute a contract between the City and the Owner from time to time of the Bonds,
22 and any Owner may either at law or in equity, by suit, action, mandamus or other
23 proceedings, enforce and compel the performance of all duties required to be performed
24 by the City as a result of issuing the Bonds.

25 **SECTION 6. Sale and Delivery of Bonds.** The Bonds are hereby awarded to and
26 sold to the Department at a price of par under the terms and conditions set forth in the
27 Loan Agreement, and after their execution the Bonds shall be delivered to the Department
28 or its agents or assigns, upon receipt by the City of the agreed first advance of the
29 purchase price of the Bonds. Pursuant to the Act, the City has determined to sell the
30 Bonds at a private sale without necessity of publication of a notice of sale. It is understood
31 that the purchase price of the Bonds will be paid by the Department to the City in
32 installments, and a portion of the principal amount advanced by the Department may be
33 forgiven by the Department, each in the manner and under the terms and conditions set
34 forth in the Loan Agreement.

35 **SECTION 7. Manner of Payment.** The principal of and interest and Administrative
36 Fee on the Bonds will be payable by check mailed to the Owner (determined as of the
37 Record Date) at the address shown on the registration books kept by the Paying Agent for
38 such purpose, provided that payment of the final installment of principal on the Bonds shall
39 be made only upon presentation and surrender of the Bonds to the Paying Agent.

40 **SECTION 8. Execution of Bonds and Documents.** The Executive Officers are
41 each hereby empowered, authorized and directed to do any and all things necessary and
42 incidental to carry out all of the provisions of this Bond Ordinance, to execute and deliver

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 8**

4 the Loan Agreement, and to cause the Bonds to be prepared and/or printed, to issue,
5 execute and seal the Bonds and to effect delivery thereof as hereinafter provided. If
6 facsimile signatures are used on the Bonds, then such signatures shall be registered with
7 the Louisiana Secretary of State in the manner required by La. R.S. 39:244, provided that
8 at least one signature on each Bond shall be a manual signature.

9 In connection with the issuance and sale of the Bonds, the Executive Officers are
10 each authorized, empowered and directed to execute on behalf of the City such additional
11 documents, certificates and instruments as they may deem necessary, upon the advice of
12 counsel, to effect the transactions contemplated by this Bond Ordinance, including a
13 Commitment Agreement with the Department. The signatures of said officers on such
14 documents, certificates and instruments shall be conclusive evidence of the due exercise
15 of the authority granted hereunder.

16 **SECTION 9. Registration.** The City shall cause the Bond Register to be kept at
17 the principal office of the Paying Agent in which registration of the Bonds and transfers of
18 the Bonds shall be made as provided herein. The Bonds may be transferred, registered
19 and assigned only on the Bond Register, and such registration shall be at the expense of
20 the City. The Bonds may be assigned by the execution of an assignment form on the
21 Bonds or by other instruments of transfer and assignment acceptable to the Paying Agent.
22 A new Bond will be delivered by the Paying Agent to the last assignee (the new Owner) in
23 exchange for such transferred and assigned Bond after receipt of the Bond to be
24 transferred in proper form.

25 **SECTION 10. Effect of Registration.** The City, the Paying Agent, and any agent of
26 either of them may treat the Owner in whose name any Bond is registered as the Owner of
27 such Bond for the purpose of receiving payment of the principal of and interest and
28 Administrative Fee on such Bond and for all other purposes whatsoever, and to the extent
29 permitted by law, neither the City, the Paying Agent, nor any agent of either of them shall
30 be affected by notice to the contrary.

31 **SECTION 11. Recital of Regularity.** This Governing Authority, having investigated
32 the regularity of the proceedings had in connection with this issue of Bonds, and having
33 determined the same to be regular, the Bonds shall contain the following recital authorized
34 by and having the effect set forth in R.S. 39:507, to wit:

35 *"It is certified that this Bond is authorized by and is issued in*
36 *conformity with the requirements of the Constitution and statutes of*
37 *this State."*

38 **SECTION 12. Deposit of Bond Proceeds.** The proceeds derived from the sale of
39 the Bonds shall constitute a trust fund to be used exclusively for the purposes for which the
Bonds are issued. All of the proceeds derived from the sale of the Bonds, which shall be
paid in installments by the Department in the manner set forth in the Loan Agreement,
shall be deposited by the City in a Construction Fund (the "**Construction Fund**"). The

4 funds in the Construction Fund shall be used solely for the purpose of paying costs of the
5 Project, in the manner set forth in the Loan Agreement, and costs of issuance of the
6 Bonds.

7 **SECTION 13. Davis-Bacon Wage Rate Requirements.** The City agrees that all
8 laborers and mechanics employed by contractors and subcontractors on the portion of the
9 project that is funded in whole or in part with the Bonds purchased by the Department shall
10 be paid wages at rates not less than those prevailing on projects of a character similar in
11 the locality of the City as determined by the Clerk of the United States Department of
12 Labor ("**DOL**") in accordance with Subchapter IV of Chapter 31 of Title 40, United States
13 Code. DOL provides all pertinent information related to compliance with the foregoing
14 requirements, including prevailing wage rates and instructions for reporting. The City will
15 ensure that all construction contracts relating to the portion of the Project that is funded in
16 whole or in part with Bonds purchased by the Department will require that the contractor
17 comply with the aforesaid wage and reporting requirements. This Section shall not apply to
18 situations where the City may perform construction work using its own employees rather
19 than any contractor or subcontractor.

20 **SECTION 14. Flow of Funds.** In order that the principal of, premium, if any, and
21 the interest and Administrative Fee, if any, on the Bonds, the Outstanding Parity Bonds
22 and any Additional Parity Bonds will be paid in accordance with the terms and for the other
23 objects and purposes hereinafter provided, the City further covenants that all income and
24 revenues of every nature derived from the operation of the Utilities System shall be
25 deposited daily as the same may be collected in the Utilities System Fund, previously
26 created, and maintained pursuant to the Outstanding Parity Bond Ordinances, and said
27 Utilities System Fund shall continue to be maintained and administered in the following
28 order of priority and for the following express purposes:

- 29 (a) The payment of all reasonable and necessary expenses of administering,
30 operating and maintaining the Utilities System not paid from other revenues,
31 including, specifically, ad valorem or sales and use taxes;
- 32 (b) The maintenance of the Utility Revenue Refunding Bond Sinking Fund
33 previously established (the "**Sinking Fund**") in which shall be deposited
34 periodically an amount sufficient to pay promptly and fully the principal of and
35 the interest and Administrative Fee on the Bonds, the Outstanding Parity
36 Bonds, and any Additional Parity Bonds issued hereafter in the manner
37 provided by this Bond Ordinance, as they severally become due and
38 payable, by transferring from the Utilities System Fund to the Sinking Fund
39 monthly in advance on or before the twentieth (20th) day of each month of
each year, a fractional amount of the interest and Administrative Fee, if any,
on the Bonds, the Outstanding Parity Bonds, and any Additional Parity Bonds
falling due on the next Interest Payment Date and a fractional amount of the
principal of the Bonds and the Outstanding Parity Bonds and any Additional

4 Parity Bonds falling due on the next Principal Payment Date, such fractions
5 being equal to the number one (1) divided by the number of months
6 preceding such Interest Payment Date or Principal Payment Date, as the
7 case may be, since the last Interest Payment Date or Principal Payment
8 Date, as the case may be, so that by making equal monthly payments the
9 City will always provide the necessary sums required to be on hand at each
10 Interest Payment Date and Principal Payment Date, together with such
11 additional proportionate sum as may be required so that sufficient moneys
12 will be available in the Sinking Fund to pay said principal, interest, and
13 Administrative Fee, if any, as the same respectively become due. The City
14 shall cause the depository bank for the Sinking Fund to transfer from the
15 Sinking Fund to the Paying Agent, at least three (3) days in advance of the
16 date on which each payment of principal, interest, and Administrative Fee
17 falls due, funds sufficient to pay promptly the principal, interest, and
18 Administrative Fee so falling due on such date; and

- 17 (c) The maintenance of the "*Utilities Revenue Bond Reserve Fund*" previously
18 established (the "**Reserve Fund**"), which shall contain a separate account
19 therein for the exclusive benefit of the Bonds (the "**Series 2026 Bonds**
20 **Reserve Account**") and in which other accounts may be established at the
21 option of the City in connection with any Additional Parity Bonds in the future
22 (each account established within the Reserve Fund being a "**Reserve**
23 **Account**"). The money in each Reserve Account shall be retained solely for
24 the purpose of paying the principal of and interest and Administrative Fee, if
25 any, on the bonds secured by such Reserve Account as to which there would
26 otherwise be default and shall be managed pursuant to the ordinance
27 authorizing such bonds. All deposits required to be made in the Reserve
28 Fund shall be transferred into each Reserve Account as needed on a pro
29 rata basis; provided, however, that no transfers shall be made from the
30 Revenue Fund into the Reserve Fund until after the payments required under
31 paragraphs (a) and (b) above.

29 There is hereby established the Series 2026 Bonds Reserve Account, which
30 shall be maintained with any designated fiscal agent bank of the City and
31 which will be used to satisfy the Series 2026 Bonds Reserve Requirement for
32 the Bonds. The Series 2026 Bonds Reserve Account shall be funded to the
33 Series 2026 Bonds Reserve Requirement on or before the fifth anniversary
34 of the dated date of the Bonds.

35 If at any time it shall be necessary to use moneys in a Reserve Account for
36 the purpose of paying the principal of and interest and Administrative Fee, if
37 any, on the bonds secured by such Reserve Account as to which there would
38 otherwise be default, then funds shall be withdrawn from such Reserve
39 Account and transferred to the paying agent for the bonds secured thereby.

4 Any moneys so used shall be replaced from the revenues of the Utilities
5 System first thereafter received and not hereinabove required for the
6 purposes described in (a) and (b) of this Section 10, it being the intention
7 hereof that there shall as nearly as possible be at all times on deposit in each
8 Reserve Account an amount equal to the reserve requirement applicable to
9 such Reserve Account. If more than one Reserve Account is required to be
10 replenished, then such replenishment shall be made ratably to each such
11 Reserve Account in proportion to the remaining amount that is required to be
12 so replenished.

13 A Reserve Account may be funded with a surety bond, debt service reserve
14 insurance policy, letter of credit, or any other credit enhancement device, and
15 the replenishment of any draws made thereon shall be treated as a
16 withdrawal from such Reserve Account for the purposes of this Section.

17 All or any part of the moneys in the Utilities System Fund, Sinking Fund, and
18 Reserve Fund, at the written request of the issuer, may be invested in Qualified
19 Investments and such investments shall, to the extent at any time necessary, be liquidated
20 and the proceedings thereof applied to the purposes for which such funds are created. All
21 income or earnings from such investments shall be deposited in the Utilities System Fund
22 as income and revenues for the Utilities System.

23 Any moneys in remaining the Utilities System Fund after making the above
24 required monthly payments may be used by the City for such other lawful corporate
25 purposes as this Governing Authority may determine, without regard to whether such
26 purposes are related to the Utilities System.

27 In the case of issues involving term bonds, all principal maturity calculations will be
28 based on mandatory sinking fund payment installments rather than term bond maturities.

29 In computing the amount in any fund provided for in this Section, Qualified
30 Investments shall be valued at the lower of the cost or the market price, exclusive of
31 accrued interest. With respect to all funds and accounts (except the Reserve Fund),
32 valuation shall occur annually. Each Reserve Account in the Reserve Fund shall be valued
33 semi-annually, except in the event of a withdrawal from a Reserve Account, whereupon it
34 shall be valued immediately after such withdrawal.

35 **SECTION 15. Notification of Deficiencies.** As required by the Act, the City will
36 notify the State Bond Commission, in writing, whenever (i) transfers to any fund required to
37 be established by this Bond Ordinance or any resolution or ordinance authorizing the
38 issuance of indebtedness of the City have not been made timely or (ii) principal, interest, or
39 other payments due on the Bonds or any other outstanding indebtedness of the City have
not been made timely. The City shall copy the Department on any such notice given
pursuant to this Section.

4 SECTION 16. **Rate Covenant.** The City, through the Governing Authority, hereby
5 covenants to fix, establish and maintain such rates and collect such fees, rents or other
6 charges for the services and facilities of the Utilities System and all parts thereof, and to
7 revise the same from time to time whenever necessary, as will always provide revenues in
8 each Fiscal Year at least sufficient to pay (i) the reasonable and necessary expenses of
9 administering, operating and maintaining the Utilities System in such year, (ii) the principal,
10 interest, and Administrative Fee, if any, maturing on the Bonds, the Outstanding Parity
11 Bonds and any Additional Parity Bonds in such year, (iii) all Reserve or Sinking Fund or
12 other payments required for such year by this Bond Ordinance and the ordinances
13 governing the Outstanding Parity Bonds and any Additional Parity Bonds, and (iv) all other
14 obligations and indebtedness payable out of the income and revenues of the Utilities
15 System during such year, and which will in any event provide Net Revenues at least equal
16 to 120% of the largest amount of principal, interest, and Administrative Fee maturing on
17 the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds in any future
18 Fiscal Year, and that such rates, fees, rents and other charges shall not at any time be
19 reduced so as to be insufficient to provide adequate revenues for such purposes.

20 In the event and to the extent that the revenues of the Utilities System are
21 insufficient to satisfy the obligations payable from the funds and accounts described in
22 Section 14 above, or the rate covenant contained in this Section, the City may take into
23 account other lawfully available sources of funding, provided that the amount of such
24 funding shall be actually budgeted for such purposes at the beginning of each Fiscal Year.

25 SECTION 17. **Issuance of Additional Parity Bonds.** All of the Bonds shall enjoy
26 complete parity of lien along with the Outstanding Parity Bonds on the Net Revenues
27 despite the fact that any of the Bonds may be delivered at an earlier date than any other of
28 the Bonds. The City shall issue no Additional Parity Bonds having priority over or parity
29 with the Bonds or the Outstanding Parity Bonds, provided, however, that Additional Parity
30 Bonds may hereafter be issued on a parity with the Bonds and the Outstanding Parity
31 Bonds under the following conditions:

- 32 (a) The Net Revenues must in each of the two (2) completed Fiscal Years
33 immediately preceding the issuance of the additional bonds have been not
34 less than one and three-tenths (1.3) times the highest combined principal,
35 interest, and Administrative Fee requirements for any succeeding Fiscal Year
36 period on the Bonds, the Outstanding Parity Bonds and any Additional Parity
37 Bonds theretofore issued and then outstanding (but not including bonds
38 which have been refunded or provision otherwise made their full and
39 complete payment and redemption) and the bonds so proposed to be issued;
and
- (b) There must be no delinquencies in payments required to be made into the
various funds maintained pursuant to Section 14 hereof; and

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 13**

- 4 (c) The existence of the facts required by paragraph (a) and (b) above must be
5 determined and certified to by the Director of Finance of the City; and
6 (d) The proceeds of the additional bonds must be used solely for the making of
7 improvements, extensions, renewals, replacements or repairs to the Utilities
8 System.

9 For the purpose of this Section, (i) debt service calculations shall include mandatory
10 sinking fund redemptions or principal installments, if any, and (ii) so long as the
11 Outstanding Parity Bonds are no longer outstanding pursuant to the terms of the
12 Outstanding Parity Bond Ordinance, if a rate increase has been effected or a new
13 dedicated millage or sales tax will be effective prior to the issuance of the Additional Parity
14 Bonds or the project to be funded with the proceeds of the proposed Additional Parity
15 Bonds will result in additional customers of the Utilities System, and a recognized engineer
16 or firm of engineers employed by the City certifies as to the amount of additional Net
17 Revenue that would have been realized by the City in the preceding two (2) Fiscal Years if
18 such rate increase, new tax or additional customers had been in effect during such time,
19 then the coverage calculations for the preceding two Fiscal Years immediately preceding
the issuance of the Bonds may be made as if such additional Net Revenue had been in
effect during such period.

20 Notwithstanding the foregoing, the Bonds, the Outstanding Parity Bonds or any
21 Additional Parity Bonds hereafter issued may be refunded in accordance with the terms
22 thereof and such refunding bonds or other obligations issued for such purpose shall enjoy
23 complete equality of lien with the portion of the Bonds, Outstanding Parity Bonds or
24 Additional Parity Bonds, as applicable, which is not refunded, if there be any, and shall
25 continue to enjoy whatever priority of lien over subsequent issues as may have been
26 enjoyed by the Bonds, Outstanding Parity Bonds or Additional Parity Bonds, as applicable,
27 refunded, provided, however, that if the refunding bonds or other obligations require total
28 principal and interest payments during any year in excess of the principal and interest
29 which would have been required in such year to pay the Bonds, Outstanding Parity Bonds
30 or Additional Parity Bonds, as applicable, refunded thereby, then such refunding bonds or
other obligations shall not enjoy the lien priority established by this paragraph unless the
City shall satisfy the foregoing conditions of this Section.

31 **SECTION 18. Schedule of Rates and Charges.** Except as otherwise provided,
32 nothing in this Bond Ordinance or in the Bonds shall be construed to prevent the City from
33 altering, amending or repealing from time to time as may be necessary any ordinances
34 setting up and establishing a schedule or schedules of rates and charges for the services
35 and facilities to be rendered by the Utilities System, said alterations, amendments or
36 repeals to be conditioned upon the continued preservation of the rights of the Owners with
37 respect to the income and revenues of the Utilities System, not alone for the payment of
38 the principal, interest, and Administrative Fee on the Bonds, but to give assurance and to
39 insure that the income and revenues of the Utilities System shall be sufficient at all times to

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 14**

4 meet and fulfill the other provisions stated and specified in this Bond Ordinance. It is
5 understood and agreed, however, that the City shall fix, establish and maintain such rates
6 and collect such fees, rents or other charges for the services and facilities of the Utilities
7 System, irrespective of the user thereof, that no free services or facilities shall be furnished
8 to any person, association or persons or corporation, public or private, except the City
9 itself, and that, except for those existing unmetered accounts permitted by the Outstanding
10 Parity Ordinance, all services shall be metered, and that no discrimination shall be made
11 as to rates and charges for the services and facilities of the Utilities System as between
12 users of the same type or class, provided, however, the City shall not be required to meter
13 water used for firefighting purposes through its fire hydrants, but the City hereby agrees to
14 pay from its general revenues a minimum annual rental of Twenty-Five Dollars (\$25.00)
15 per year for each fire hydrant connected to the Utilities System and available for
16 firefighting. The City agrees that all charges owed by any individual, partnership or
17 corporation for water and sewer rendered by the Utilities System shall be billed and
18 collected as a unit; that failure of any individual, partnership or corporation to pay said
19 combined charge within twenty (20) days of the date on which it is billed shall cause such
20 charge to become delinquent; that if such delinquent charge, with penalties accrued
21 thereon, is not paid within thirty (30) days from the date on which it became delinquent, the
22 City will shut off water service to the affected premises, provided, however, that the City
23 maintains the discretion to make reasonable decisions as to the timing of disconnections;
24 and that the City and its officials, agents and employees will do all things necessary and
25 will take advantage of all remedies afforded by law to collect and enforce the prompt
26 payment of all charges made for utilities services rendered by the Utilities System. All
27 delinquent charges for such services shall on the date of the delinquency have added
28 thereto a penalty of ten percent (10%) of the amount of the charge. If service shall be
29 discontinued as above provided, the customer shall in addition to paying the delinquent
30 charges and penalties, pay as a conditions precedent to the resumption of service, a
31 reasonable re-connection charge of not less than Fifteen Dollars (\$15.00) for each service
32 resumed. It is further understood and agreed that the schedule of rates, fees, rents and
33 other charges being charged as of the date of the adoption of this Bond Ordinance for
34 services and facilities rendered by the Utilities System shall remain in effect and neither
35 said existing schedule nor any subsequent schedule shall be reduced at any time unless
36 all payments required for all funds by this Bond Ordinance, including any deficiencies for
37 prior payments, have been fully made, and unless such schedule as so reduced will in
38 each year thereafter produce sufficient revenues to meet and fulfill the other provisions
39 stated and specified in this Bond Ordinance.

34 **SECTION 19. Rights of Owners; Appointment of Receiver in Event of Default.**

35 The Owners from time to time shall be entitled to exercise all rights and powers for which
36 provision is made in the laws of the State. Any Owners or any trustee acting for such
37 Owners in the manner hereinafter provided, may, either at law or in equity, by suit, action,
38 mandamus or other proceeding in any court of competent jurisdiction, protect and enforce
39 any and all rights under the laws of the State, or granted and contained in this Bond

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 15**

4 Ordinance, and may enforce and compel the performance of all duties required by this
5 Bond Ordinance, or by any applicable statutes to be performed by the City or by any
6 agency, board or officer thereof, including the fixing, charging and collecting of rentals,
7 fees or other changes for the use of the Utilities System and in general to take any action
8 necessary to most effectively protect the right of the Owners.

9 In the event that default shall be made in the payment of the interest or
10 Administrative Fee on or the principal of any of the Bonds as the same shall become due,
11 or in the making of the payments into any of the funds or accounts described in Section 14
12 above, or any other payments required to be made by this Bond Ordinance, or in the event
13 that the City or any agency, board, officer, agent or employee thereof shall fail or refuse to
14 comply with the provisions of this Bond Ordinance or shall default in any covenant made
15 herein, and in the further event that any such default shall continue for a period of thirty
16 (30) days after written notice, any Owner of such Bonds or any trustee appointed to
17 represent such Owners as hereinafter provided, shall be entitled to the appointment of a
18 receiver of the Utilities System in an appropriate judicial proceeding in a court of
19 competent jurisdiction.

20 The receiver so appointed shall forthwith directly or by his agents and attorneys,
21 enter into and upon and take possession of the Utilities System, and each and every part
22 thereof, and shall hold, operate and maintain, manage and control the Utilities System, and
23 each and every part thereof, and in the name of the City shall exercise all the rights and
24 powers of the City with respect to the Utilities System as the City itself might do. Such
25 receiver shall collect and receive all rates, fees, rentals and other revenues, shall maintain
26 and operate the Utilities System in the manner provided in this Bond Ordinance, and shall
27 comply under the jurisdiction of the court appointing such receiver, with all of the
28 provisions of this Bond Ordinance.

29 Whenever all that is due upon the Bonds and interest and Administrative Fee
30 thereon, and under any covenants of this Bond Ordinance for reserve, sinking or other
31 funds, and upon any other obligations and interest thereon, having a charge, lien or
32 encumbrance upon the fees, rentals or other revenues of the Utilities System, shall have
33 been paid and made good, and all defaults under the provisions of this Bond Ordinance
34 shall have been cured and made good, possession of the Utilities System shall be
35 surrendered to the City upon the entry of an order of the court to that effect. Upon any
36 subsequent default, any Owner of Bonds, or any trustee appointed for Owners as
37 hereinafter provided, shall have the same right to secure the further appointment of a
38 receiver upon any such subsequent default.

39 Such receiver, in the performance of the powers hereinabove conferred upon him
by and under the direction and supervision of the court making such appointment, shall at
all times be subject to the orders and decrees of such court and may be removed thereby
and a successor receiver appointed in the discretion of such court. Nothing herein
contained shall limit or restrict the jurisdiction of such court to enter such other and further

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 16**

4 orders and decrees as such court may deem necessary or appropriate for the exercise by
5 the receiver of any function not specifically set forth herein.

6 Any receiver appointed as provided herein shall hold and operate the Utilities
7 System in the name of the City and for the joint protection and benefit of the City and the
8 Owners. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose
9 of any property of any kind or character belonging or pertaining to the Utilities System but
10 the authority of such receiver shall be limited to the possession, operation and
11 maintenance of the Utilities System for the sole purpose of the protection of both the City
12 and the Owners and the curing and making good of any default under the provisions of this
13 Bond Ordinance, and the title to and the ownership of the Utilities System shall remain in
14 the City, and no court shall have any jurisdiction to enter any order or decree permitting or
15 requiring such receiver to sell, mortgage or otherwise dispose of any property of the
16 Utilities System except with the consent of the City and in such manner as the court shall
17 direct.

18 The Owner or Owners in an aggregate principal amount of not less than twenty-five
19 percent (25%) of the Bonds then outstanding may by a duly executed certificate appoint a
20 trustee for the Owners with authority to represent such Owners in any legal proceedings
21 for the enforcement and protection of the rights of such Owners. Such certificate shall be
22 executed by such Owners, or by their duly authorized attorneys or representatives, and
23 shall be filed in the office of the Council Administrator of the City.

24 UNTIL AN EVENT OF DEFAULT SHALL HAVE OCCURRED, THE CITY SHALL
25 RETAIN FULL POSSESSION AND CONTROL OF THE UTILITIES SYSTEM WITH FULL
26 RIGHT TO MANAGE, OPERATE AND USE THE SAME AND EVERY PART THEREOF
27 WITH THE RIGHTS APPERTAINING THERETO, AND TO COLLECT AND RECEIVE
28 AND, SUBJECT TO THE PROVISIONS OF THIS BOND ORDINANCE, TO TAKE, USE
29 AND ENJOY AND DISTRIBUTE THE EARNINGS, INCOME, RENT, ISSUE AND
30 PROFITS ACCRUING ON OR DERIVABLE FROM THE UTILITIES SYSTEM.

31 SECTION 20. Specific Covenants. The City does hereby covenant and warrant
32 so long as any of the Bonds are outstanding and unpaid in principal, interest, and
33 Administrative Fee:

- 34 (a) That it is or will be lawfully seized and possessed of the Utilities System, that
35 it has a legal right to pledge the income and revenues of the Utilities System
36 as herein provided, and that the Bond will have a lien and privilege on said
37 income and revenues, subject only to the prior payment of all reasonable and
38 necessary expenses of operating and maintaining the Utilities System.
- 39 (b) That it will at all times maintain the Utilities System in first-class repair and
working order and condition.
- (c) That it will carry full coverage of insurance on the Utilities System at all times
against those risks and in those amounts normally carried by privately owned

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 17**

4 public utility companies engaged in the operation of utilities similar to the
5 Utilities System. Said policies of insurance shall be issued by a responsible
6 insurance company or companies duly licensed to do business under the
7 laws of the State; provided, however, that the City may self-insure to the
8 extent allowed by the laws of the State. In case of loss, any insurance money
9 received by the City shall be used for the purpose of promptly repairing or
replacing the property damaged or destroyed.

- 10 (d) That it will not sell, lease or in any manner dispose of the Utilities System or
11 any substantial part thereof, provided that the City may dispose of property
12 which in its judgment is worn-out, unserviceable, unsuitable, or unnecessary
13 in the operation of the Utilities System, when other property of equal value is
14 substituted therefor, or the proceeds derived from the disposal of such
15 property are used for constructing and acquiring extensions and
16 improvements to the Utilities System or repairing the Utilities System.
- 17 (e) That except as provided in Section 17 hereof, it will not voluntarily create or
18 cause to be created any debt, lien, pledge, mortgage, assignment,
19 encumbrance, or any other charges having priority over or parity with the lien
20 of the Bonds upon the income and revenues of the Utilities System pledged
as security therefor.
- 21 (f) That to the extent permitted by law, it will not grant a franchise to any other
22 company or organization for operation within the boundaries of the City which
23 would render services or facilities in competition with the Utilities System,
24 and will oppose the granting of such franchise by any other public body
having jurisdiction over such matters.

25 **SECTION 21. Audit Requirements.** The City will establish and maintain adequate
26 financial records as required by the laws of the State governing financial record-keeping by
27 political subdivisions and in accordance with generally accepted accounting principles
28 ("**GAAP**") and will make these and the following records and reports available to the
29 Owners or their authorized representatives upon request.

30 The City will cause an audit of its financial statements to be made by an
31 independent firm of certified public accountants in accordance with the requirements of
32 Chapter 8 of Title 24 of the Louisiana Revised Statutes of 1950, as amended, and for so
33 long as the Department owns the Bonds, or any part thereof, in accordance with the
34 requirements of the Single Audit Act Amendments of 1996 and OMB's Uniform
35 Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards
36 (2 CFR 200, Subpart F), and Section 66.458 of the Catalog of Federal Domestic
37 Assistance (CFDA #66.458 - Capitalization Grants for State Revolving Funds), if
38 applicable. Upon completion, the City shall file a copy of such audited financial statements
39 with any Owner requesting same.

4 SECTION 22. Fidelity Bonds for Officers and Employees. So long as any of the
5 Bonds are outstanding and unpaid, the City shall require all of its officers and employees
6 who may be in a position of authority or in possession of money derived from the collection
7 of revenues of the Utilities System, to obtain or be covered by a blanket fidelity or faithful
8 performance bond, or independent fidelity bonds written by a responsible indemnity
9 company in amounts adequate to protect the City from loss.

10 SECTION 23. Retention and Duties of Consulting Engineer in Event of Failure
11 to Make Required Payments. **THE PROVISIONS OF THIS SECTION SHALL APPLY**
12 **ONLY DURING ANY PERIOD WHEN THE ISSUER MAY BE IN DEFAULT IN MAKING**
13 **REQUIRED PAYMENTS INTO THE FUNDS REQUIRED BY SECTION 14 OF THIS**
14 **BOND ORDINANCE.** The City covenants and agrees that in the event it should fail to
15 derive sufficient income from the operation of the Utilities System to make the required
16 monthly payments into the funds and accounts established and maintained in accordance
17 with Section 14 hereof, it will retain a Consulting Engineer on a continuous basis until all
18 defaults are cured, for the purpose of providing for the City continuous engineering counsel
19 in the operation of its Utilities System. Such Consulting Engineer shall be retained under
20 contract at such reasonable compensation as may be fixed by this Governing Authority,
21 and the payment of such compensation shall be considered to be one of the costs of
22 administrating, maintaining and operating the Utilities System. Any Consulting Engineer
23 appointed under the provisions of this Section may be replaced at any time by another
24 Consulting Engineer appointed or retained by the City, with the consent and approval of
25 the Owners.

26 The Consulting Engineer shall prepare within ninety (90) days after the close of
27 each Fiscal Year a comprehensive operating report, which report shall contain therein or
28 be accompanied by a certified copy of an audit of the preceding Fiscal Year prepared by
29 the City's certified public accountants, and in addition thereto, shall report upon the
30 operations of the Utilities System during the preceding Fiscal Year, the maintenance of the
31 properties, the efficiency of the management of the Utilities System; the property and
32 adequate keeping of books of record and account, the adherence to budget and budgetary
33 control provisions, the adherence to the provisions of this Bond Ordinance and all other
34 things having a bearing upon the efficient and profitable operation of the Utilities System,
35 and shall include whatever criticism of any phase of the operation of the Utilities System
36 the Consulting Engineer may deem proper, and such recommendations as to changes in
37 operations and the making of repairs, renewals, replacements, extensions, betterments
38 and improvements as the Consulting Engineer may deem proper. Copies of such report
39 shall be placed on file with the Council Administrator of the City and sent to the Owner,
and shall be open to inspection by any Owner. It shall be the duty of the Consulting
Engineer to pass upon the economic soundness or feasibility of any extensions,
betterments, improvements, expenditures or purchases of equipment and materials or
supplies, which will involve the expenditure of more than Twenty Thousand Dollars
(\$20,000), whether in one or more than one order, and whether authorized by a budget or

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 19**

4 not, and the Consulting Engineer shall devise and prescribe form or forms wherein shall be
5 set forth his or its approval in certificate form, copies of which shall be filed with the Council
6 Administrator of the City.

7 Sixty (60) days before the close of each Fiscal Year, the Consulting Engineer shall
8 submit to this Governing Authority a suggested budget for the ensuing year's operation of
9 the Utilities System and shall submit recommendations as to the schedule of rates and
10 charges for services supplied by the Utilities System, taking into account any other lawfully
11 available funds of the City that may be available of such purposes. A copy of said
12 suggested budget and recommendations shall also be furnished by said Consulting
13 Engineer directly to the Owner. Such recommendations as to rates and charges consistent
14 with the requirements relating thereto contained herein, shall be followed by this Governing
15 Authority insofar as practicable and all other recommendations shall be given careful
16 consideration by this Governing Authority and shall be substantially followed, except for
17 good and reasonable cause. No expenditures for the operation, maintenance and repair of
18 the Utilities System in excess of the amounts stated in said budget shall be made in any
19 year, except upon the certificate of the Consulting Engineer that such expenditures are
20 necessary and essential to the continued operation of the Utilities System.

21 It shall be the duty of the Consulting Engineer to prescribe a system of budgetary
22 control along with forms for exercising of such control which shall be utilized by the
23 manager or superintendent of the Utilities System and his staff and the manager or
24 superintendent shall cause to prepare monthly reports not later than the twentieth (20th)
25 day of each month, for the preceding month's business and operation of the Utilities
26 System, which reports shall be submitted to the Consulting Engineer, who shall prepare an
27 analysis of each such report, which analysis shall be filed monthly as expeditiously as
28 possible with the chief financial officer of the City, the Mayor and with the Owner or
29 Owners.

30 In the event this Governing Authority shall fail to select and retain a Consulting
31 Engineer in accordance with the first paragraph of this Section within thirty (30) days after
32 the occurrence of the conditions prescribed thereby, then upon the petition of the Owners
33 of the twenty-five percent (25%) of the aggregate principal amount of the Bonds then
34 outstanding, this Governing Authority shall select and retain such Consulting Engineer as
35 is named in the petition of said Owners unless a Receiver had been appointed pursuant to
36 Section 19 hereof.

37 **SECTION 24. Discharge of Bond Ordinance.** If the City shall pay or cause to be
38 paid, or there shall be paid to the Owners, the principal of and interest (including the
39 Administrative Fee) on the Bonds, at the times and in the manner stipulated in this Bond
Ordinance are paid in full for all amounts due and owing, then the pledge of the Net
Revenues or any other money, securities, and funds pledged under this Bond Ordinance
and all covenants, agreements, and other obligations of the City to the Owners shall
thereupon cease, terminate, and become void and be discharged and satisfied.

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 20**

4 SECTION 25. **Defeasance.** Bonds or interest installments (including the
5 Administrative Fee) for the payment or prepayment of which money shall have been set
6 aside and shall be held in trust (through deposit by the City of funds for such payment or
7 prepayment or otherwise) at the maturity or prepayment date thereof shall be deemed to
8 have been paid within the meaning and with the effect expressed above in this Section, if
9 they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised
Statutes of 1950, as amended, or any successor provisions thereto.

10 SECTION 26. **Cancellation of Bonds.** All Bonds paid or prepaid either at or before
11 maturity, together with all Bonds purchased by the City, shall thereupon be promptly
12 cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the
13 Council Administrator of the City an appropriate certificate of cancellation.

14 SECTION 27. **Lost, Destroyed or Improperly Cancelled Bonds.** Lost, destroyed
15 or improperly cancelled Bonds may be replaced in the manner set forth in the Act. In case
16 any such lost, destroyed or improperly cancelled Bond has become or is about to become
17 due and payable, the City in its discretion may, instead of issuing a new Bond, pay such
Bond.

18 Upon the issuance of any replacement Bond under this Section, the City may
19 require the payment by the Owner of a sum sufficient to cover any tax or other
20 governmental charge that may be imposed in relation thereto and any other expenses
21 (including the fees and expenses of the Paying Agent) connected therewith. Every new
22 Bond issued pursuant to this section in lieu of any lost, destroyed or improperly cancelled
23 Bond shall constitute a replacement of the prior obligation of the City, whether or not the
24 lost, destroyed or improperly cancelled Bond shall be at any time enforceable by anyone.
25 The obligation of the City on any replacement bonds shall be identical as its obligation
26 upon the original Bonds, and the rights of the registered owner shall be the same as those
conferred by the original Bonds.

27 SECTION 28. **Successor Paying Agent; Paying Agent Agreement.** The City will
28 at all times maintain a Paying Agent for the performance of the duties hereunder for the
29 Bonds. The designation of the initial Paying Agent in this Bond Ordinance is hereby
30 confirmed and approved. The City reserves the right to appoint a successor Paying Agent
31 by (a) filing with the Person then performing such function a certified copy of a resolution of
32 ordinance giving notice of the termination and appointing a successor and (b) causing
33 notice to be given to each Owner. Every successor Paying Agent appointed hereunder
34 shall at all times be an officer of the City or a bank or trust company organized and doing
35 business under the laws of the United States of America or of any state, authorized under
36 such laws to exercise trust powers, and subject to supervision or examination by Federal
37 or State authority. If required, the Executive Officers are hereby authorized and directed to
38 execute an appropriate agreement with the Paying Agent for and on behalf of the City in
39 such form as may be satisfactory to said officers, the signatures of said officers on such
agreement to be conclusive evidence of the due exercise of the authority granted

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 21**

4 hereunder. No resignation or removal of the Paying Agent shall become effective until a
5 successor has been appointed and has accepted the duties of Paying Agent.

6 SECTION 29. **Notice to Owners.** Wherever this Bond Ordinance provides for
7 notice to Owners of any event, such notice shall be sufficiently given (unless otherwise
8 herein expressly provided) if in writing and sent via accepted means of electronic
9 communication or mailed, first class postage prepaid, to each Owner, at the address of
10 such Owner as it appears in the Bond Register. In any case where notice to Owners is
11 given by mail, neither the failure to mail such notice to any particular Owner, nor any defect
12 in any notice so mailed, shall affect the sufficiency of such notice with respect to all other
13 Bonds. Where this Bond Ordinance provides for notice in any manner, such notice may be
14 waived in writing by the Owner entitled to receive such notice, either before or after the
15 event, and such waiver shall be the equivalent of such notice. Waivers of notice by
16 Owners shall be filed with the Paying Agent, but such filing shall not be a condition
17 precedent to the validity of any action taken in reliance upon such waiver.

18 SECTION 30. **Publication; Peremption.** This Bond Ordinance shall be published
19 one time in the official journal of the City. It shall not be necessary to publish the exhibits to
20 this Bond Ordinance but such exhibits shall be made available for public inspection at the
21 offices of the Governing Authority at reasonable times and such fact must be stated in the
22 publication within the official journal.

23 SECTION 31. **Disclosure Under SEC Rule 15c2-12.** The City is not required at
24 this time to comply with the continuing disclosure requirements described in the Rule 15c2-
25 12(b) of the Securities and Exchange Commission [17CFR '240.15c2-12(b)].

26 SECTION 32. **Severability.** In case any one or more of the provisions of this Bond
27 Ordinance or of the Bonds shall for any reason be held to be illegal or invalid, such
28 illegality or invalidity shall not affect any other provision of this Bond Ordinance or of the
29 Bonds, but this Bond Ordinance and the Bonds shall be construed and enforced as if such
30 illegal or invalid provisions had not been contained therein. Any constitutional or statutory
31 provision enacted after the date of this Bond Ordinance which validates or makes legal any
32 provision of this Bond Ordinance or the Bonds which would not otherwise be valid or legal
33 shall be deemed to apply to this Bond Ordinance and to the Bonds.

34 SECTION 33. **Section Headings.** The headings of the various sections hereof are
35 inserted for convenience of reference only and shall not control or affect the meaning or
36 construction of any of the provisions hereof.

37 The foregoing Ordinance having been submitted to a vote, the vote thereon was as
38 follows:
39

1 **ORDINANCE NO. 4268**
 2 **ITEM NO. 26-01-3622**
 3 **PAGE 22**

4
 5 **MEMBERS: YEAS: NAYS: ABSENT: ABSTAINING:**

6	Bill Borchert	Yea	_____	_____	_____
7					
8	Jeff Burgoyne	Yea	_____	_____	_____
9					
10	Leslie Denham	Yea	_____	_____	_____
11					
12	David Dunham	Yea	_____	_____	_____
13					
14	Megan Haggerty	Yea	_____	_____	_____
15					
16	Nick DiSanti	Yea	_____	_____	_____
17					
18	Kenny Tamborella	Yea	_____	_____	_____
19					
20	Trey Brownfield	Yea	_____	_____	_____
21					
22	Cindi King	Yea	_____	_____	_____

23 And the ordinance was declared adopted on this the 27th day of January, 2026.

24 

25 Nick DiSanti
 26 President of the Council
 27 Councilman, District D

28 

29 Randy Fandal
 30 Mayor

31 

32 Thomas P. Reeves
 33 Council Administrator

DELIVERED	1/28/26
12:50 pm	to the Mayor
RECEIVED	1/28/26
12:50 pm	from the Mayor

4
5 **EXHIBIT A**

6
7 INTEREST ON THIS BOND WILL BE INCLUDED IN GROSS INCOME
8 FOR FEDERAL INCOME TAX PURPOSES AND IS NOT
9 EXEMPT FROM FEDERAL INCOME TAXATION.

10
11 **UNITED STATES OF AMERICA**
12 **STATE OF LOUISIANA**
13 **PARISH OF ST. TAMMANY**

14 **TAXABLE UTILITIES REVENUE BOND (DEQ), SERIES 2026**
15 **OF THE**
16 **CITY OF SLIDELL, STATE OF LOUISIANA**

17

<u>Bond</u> <u>Number</u>	<u>Bond</u> <u>Date</u>	<u>Interest</u> <u>Rate</u>	<u>Principal</u> <u>Amount</u>
R-1	_____, 2026	0.45%	\$5,100,000

18
19
20
21

22 FOR VALUE RECEIVED, the City of Slidell, State of Louisiana (the "**City**"), hereby
23 promises to pay (but only from the sources hereinafter described) to:

24 REGISTERED OWNER: Department of Environmental Quality
25 Attn: Financial Services Division, Accounts Receivable
26 P.O. Box 4311
27 Baton Rouge, Louisiana 70821-4311

28 or registered assigns noted on the registration record attached hereto, the Principal
29 Amount set forth above (unless a lower Principal Amount applies, as set forth below),
30 together with interest hereon from the Bond Date set forth above or the most recent
31 interest payment date to which interest has been paid or duly provided for, unless this
32 Bond shall have been previously called for prepayment and payment shall have been duly
33 made or provided for.

34 This Bond shall bear interest, payable semi-annually on April 1 and October 1 of
35 each year, commencing [April 1, 2026] (each an "**Interest Payment Date**"), at the Interest
36 Rate shown above, said interest to be calculated on the basis of a 360-day year consisting
37 of twelve 30 day months. Interest on this Bond on any Interest Payment Date shall be
38 payable only on the aggregate outstanding amount of the purchase price which shall have
39

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 24**

4 been paid theretofore and not forgiven by the Department, as noted on Schedule A hereto,
5 and shall accrue with respect to each purchase price installment only from the date of
6 payment of such installment.

7
8 If the Department is the registered owner of this Bond, the City will additionally pay
9 an Administrative Fee to the Department at the annual rate of one-half of one percent
10 (0.50%) on the outstanding principal amount of the Bond, payable on each Interest
11 Payment Date. In the event (i) the Department owns this Bond or the Department has
12 pledged or assigned this Bond in connection with its Clean Water State Revolving Fund
13 Program and (ii) the Administrative Fee payable to the Department is declared illegal or
14 unenforceable by a court or an administrative body of competent jurisdiction, then the
15 "Interest Rate" shown above and borne by this Bond shall be increased by one-half of one
16 percent (0.50%) per annum, effective as of the date declared to be the date from which the
17 Administrative Fee is no longer owed because of such illegality or unenforceability.

18 This Bond shall mature in twenty (20) installments of principal, payable annually on
19 each April 1, and each annual installment shall be the applicable percentage shown in the
20 following table, rounded to the nearest One Thousand Dollars (\$1,000), of the outstanding
21 principal amount of the Bonds on the day before the applicable Principal Payment Date:

<u>Date</u> <u>(April 1)</u>	<u>Percentage</u> <u>of Principal</u>	<u>Date</u> <u>(April 1)</u>	<u>Percentage</u> <u>of Principal</u>
---------------------------------	--	---------------------------------	--

22
23
24 In the event that the Completion Date of the Project is on or after the first Principal
25 Payment Date stated above, the principal payment schedule set forth above may be
26 adjusted so that each payment shall be due on the Principal Payment Date that is one year
27 later than shown above, provided that in no event shall the final principal payment be more
28 than twenty-two (22) years from the Delivery Date. To exercise the option to defer the
29 principal repayment schedule, the City must so notify the Department in writing prior to
30 December 1, 20__, and certify that the Completion Date will not have occurred prior to
31 April 1, 20__.

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

38 The principal installments of this Bond are subject to prepayment at the option of
39 the City at any time, in whole or in part, at a prepayment price of par plus accrued interest

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 25**

4 and accrued Administrative Fee, if any, to the prepayment date. In such case, the
5 remaining principal shall continue to mature in annual installments calculated using the
6 percentages shown above.

7
8 In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered
9 to the Council Administrator of the Governing Authority, as initial Paying Agent for the
10 Bonds (the "**Paying Agent**"), who shall note the amount of such prepayment in the space
11 provided therefor on the schedule attached to this Bond. Official notice of such call of this
12 Bond for prepayment shall be given by means of first class mail, postage prepaid by notice
13 deposited in the United States Mail or via accepted means of electronic communication not
14 less than twenty (20) days prior to the prepayment date addressed to the registered owner
15 of this Bond to be prepaid at his address as shown on the registration books of the Paying
16 Agent, which notice may be waived by any registered owner. The City shall cause to be
17 kept at the office of the Paying Agent a register in which registration of this Bond and of
18 transfer of this Bond shall be made as provided herein and in the Bond Ordinance
19 (hereinafter defined). This Bond may be transferred, registered and assigned only on such
20 registration records of the Paying Agent, and such registration shall be at the expense of
21 the City.

22
23 This Bond represents the entire issue of bonds of the City designated "*Taxable*
24 *Utilities Revenue Bond (DEQ), Series 2026*" aggregating in principal the sum of Five
25 Million One Hundred Thousand Dollars (\$5,100,000) (the "**Bonds**"), having been issued by
26 the City pursuant to an ordinance adopted by its governing authority on [January 27, 2026]
27 (the "**Bond Ordinance**"), for the purpose of making improvements, extensions, renewals,
28 replacements, and repairs to the sewer portion of the Utilities System (the "**Project**"), and
29 for paying costs of issuance, under the authority conferred by Part II of Chapter 4 of
30 Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other
31 constitutional and statutory authority, pursuant to all requirements therein specified.

32
33 This Bond is payable as to principal and interest solely from and secured, equally
34 with the City's outstanding (i) Taxable Utilities Revenue Bonds (DEQ), Series 2018, and (ii)
35 Taxable Utilities Revenue Bonds (LDH), Series 2022 (the "**Outstanding Parity Bonds**"),
36 by the income and revenues derived or to be derived from the operation of the combined
37 waterworks system and sewer system of the City (the "**Utilities System**"), after provision
38 has been made for payment therefrom of the reasonable and necessary expenses of
39 administering, operating and maintaining the Utilities System. Neither this Bond nor the
debt it represents constitutes an indebtedness or pledge of the general credit of the City
within the meaning of any constitutional or statutory limitation of indebtedness.

36
37 The City has obligated itself pursuant to the Bond Ordinance and by this Bond
38 declares that all of the income and revenues to be derived from the operation of the
39 Utilities System shall be deposited promptly as the same may be collected in a separate

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 26**

4 and special bank account known and designated as the "*Utilities System Fund*". The City
5 has duly covenanted and obligated itself pursuant to the Bond Ordinance and by this Bond
6 declares that it will fix and maintain rates and collect charges for all services and facilities
7 to be rendered by the Utilities System sufficient to provide for the payment of the
8 reasonable and necessary expenses of administrating, operating and maintaining the
9 Utilities System and the payments as the same fall due on the Bonds, the Outstanding
10 Parity Bonds, and any Additional Parity Bonds hereafter issued and to make any other
11 payments required under the Bond Ordinance.

12 For a complete statement of the manner in which said Utilities System Fund shall be
13 maintained and administered, the provisions for payment of this Bond and the general
14 covenants and provisions governing the issuance of this Bond, reference is hereby made
15 to the Bond Ordinance. Capitalized terms used herein which are not otherwise defined
16 have the meanings given them in the Bond Ordinance.

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

27 IN WITNESS WHEREOF, the Slidell City Council, acting as the governing authority
28 of the City, has caused this Bond to be executed in the name of the City by the manual
29 signatures of the Mayor and Council Administrator of the City, and the corporate seal of
30 the City to be hereon impressed hereon.

31 **CITY OF SLIDELL, STATE OF LOUISIANA**

32 
33 _____
34 MAYOR

35 
36 _____
37 COUNCIL ADMINISTRATOR

38 [SEAL]
39

4 * * * * *

REGISTRATION RECORD		
TAXABLE UTILITIES REVENUE BOND (DEQ), SERIES 2026 OF THE CITY OF SLIDELL, STATE OF LOUISIANA		
Name and Address Of Registered Owner	Date of Registration	Signature of Council Administrator of the City As Paying Agent
Department of Environmental Quality Clean Water State Revolving Fund P.O. Box 4311, Baton Rouge, La. 70821-4311		

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 29**

4 **SCHEDULE A**

5 **SCHEDULE OF PRINCIPAL DRAWS AND PRINCIPAL BALANCE**

6 **TAXABLE UTILITIES REVENUE BOND (DEQ), SERIES 2026**
7 **OF THE**
8 **CITY OF SLIDELL, STATE OF LOUISIANA**

9
10
11 Date: _____ Draw Number: _____
12 Principal Draw Paid to District this Date: \$ _____
13 Amount of Principal Forgiveness this Date: \$ _____
14 Cumulative Amount of Principal Draws Paid to Date: \$ _____
15 Cumulative Amount of Principal Forgiveness to Date: \$ _____
16 Outstanding Balance of Principal \$ _____
17 Signature of Authorized Officer of Department: _____

18 Date: _____ Draw Number: _____
19 Principal Draw Paid to District this Date: \$ _____
20 Amount of Principal Forgiveness this Date: \$ _____
21 Cumulative Amount of Principal Draws Paid to Date: \$ _____
22 Cumulative Amount of Principal Forgiveness to Date: \$ _____
23 Outstanding Balance of Principal \$ _____
24 Signature of Authorized Officer of Department: _____

25 Date: _____ Draw Number: _____
26 Principal Draw Paid to District this Date: \$ _____
27 Amount of Principal Forgiveness this Date: \$ _____
28 Cumulative Amount of Principal Draws Paid to Date: \$ _____
29 Cumulative Amount of Principal Forgiveness to Date: \$ _____
30 Outstanding Balance of Principal \$ _____
31 Signature of Authorized Officer of Department: _____

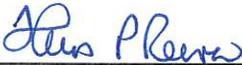
32 Date: _____ Draw Number: _____
33 Principal Draw Paid to District this Date: \$ _____
34 Amount of Principal Forgiveness this Date: \$ _____
35 Cumulative Amount of Principal Draws Paid to Date: \$ _____
36 Cumulative Amount of Principal Forgiveness to Date: \$ _____
37 Outstanding Balance of Principal \$ _____
38 Signature of Authorized Officer of Department: _____
39

1 **ORDINANCE NO. 4268**
2 **ITEM NO. 26-01-3622**
3 **PAGE 30**
4

5
6 STATE OF LOUISIANA
7 PARISH OF ST. TAMMANY
8

9 I, the undersigned Council Administrator of the City of Slidell, State of Louisiana (the
10 "**City**"), do hereby certify that the foregoing pages constitute a true and correct copy of an
11 Ordinance adopted by the Slidell City Council, acting as the governing authority of the City
12 on January 27, 2026, authorizing the issuance by the City of Slidell, State of Louisiana, of
13 its Taxable Utilities Revenue Bonds (DEQ) in an amount not to exceed Five Million One
14 Hundred Thousand Dollars (\$5,100,000), and providing for other matters in connection
15 therewith.
16
17
18
19

20 IN FAITH WHEREOF, witness my official signature on this, the 27th day of January,
21 2026.
22

23
24 

25 _____
26 Council Administrator
27
28
29
30
31
32
33
34
35
36
37
38
39