

CULLMAN CITY COUNCIL MEETING ON APRIL 27, 2020 IN THE LUCILLE N. GALIN AUDITORIUM

Council President Jenny Folsom called the Cullman City Council Meeting to order at 7:02 o'clock p.m. on Monday, April 27, 2020.

Fire Chief Brian Bradberry presented the invocation and led the Pledge of Allegiance.

A roll call by City Clerk Wesley Moore reflected the following: Present - Mayor Woody Jacobs, Council Member Andy Page, President Pro Tem Johnny Cook, Council Member David Moss, Council Member Clint Hollingsworth and Council President Jenny Folsom. Also present were City Attorney Roy Williams and City Clerk Wesley Moore.

Council President Jenny Folsom asked the Council to consider the minutes from April 13, 2020. Council President Pro Tem Cook made a motion to suspend the rules to consider the minutes. Council Member Moss seconded the motion to suspend the rules, and the motion was approved by a roll call vote. Mr. Wesley Moore polled the Council Members: Council Member Page: Aye. Council President Pro Tem Johnny Cook: Aye. Council President Folsom: Aye. Council Member Moss: Aye. Council Member Hollingsworth: Aye. Council President Pro Tem Cook made a motion to approve the minutes from April 13, 2020 as written. Council Member Moss seconded the motion to approve the minutes, and the motion was approved by a roll call vote. Mr. Wesley Moore polled the Council Members: Council Member Page: Aye. Council President Pro Tem Johnny Cook: Aye. Council President Folsom: Aye. Council Member Moss: Aye. Council Member Hollingsworth: Aye.

ADDITIONS/DELETIONS TO AGENDA – None.

REPORTS OF STANDING COMMITTEES

1. Public Safety (Fire, Police, etc.) - Chairman Andy Page – Police Chief Culpepper reports the storm shelter at Sportsman’s Lake is now designated as a pet friendly storm shelter, with a limited capacity. The pet must be in a pet carrier at all times and be small enough to remain on the lap or to slide under the bench.
2. Utilities (Water, Sewer, etc.) - Chairman David Moss – No report.
3. Public Works (Street, Sanitation, etc.) - Chairman Johnny Cook reports with everyone staying home there is additional trash and brush for the Sanitation Department to pick up. Everything will be picked up, so please be patient with the process
4. Tourism (Parks & Recreation, Airport, etc.) - Chairman Clint Hollingsworth – No report.
5. General Government (Finance, Economic Development, etc.) – No report.

REPORT FROM THE MAYOR – Mayor Jacobs reported on paving projects.

COMMENTS FROM ANYONE NOT ON THE AGENDA - None.

PUBLIC HEARINGS – None.

REQUESTS, PETITIONS, APPLICATIONS, COMPLAINTS, APPEALS, AND OTHER – None.

RESOLUTIONS, ORDINANCES, ORDERS & OTHER BUSINESS

Council President Folsom held the second reading of Ordinance No. 2020-24 to rezone certain property from R1 to R2. Council Member Moss made a motion to adopt the following Ordinance No. 2020-24:

ORDINANCE NO. 2020 – 24

AMENDING ORDINANCE NO. 2004-03 AND THE ZONING MAP OF THE CITY OF CULLMAN, ALABAMA, TO RE-ZONE CERTAIN PARCELS OF PROPERTY AS SET FORTH HEREIN

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CULLMAN, ALABAMA, AS FOLLOWS:

1. Under the authority of Chapter 52, Articles 1 through 4, Section 11-52-1 through Section 11-52-84, Code of Alabama 1975, as amended, and specifically Sections 11-52-77 and at the request of property owner, Gregory S. Windham, the following describe the tract or parcel of land, to-wit:

Legal Description: A part of the Northwest Quarter of the Southeast Quarter of Section 6, Township 10 South, Range 3 West, Cullman County, Alabama and being more particularly described as follows: Begin at the Northwest corner of said Northwest Quarter of the Southeast Quarter and run South 88 degrees 14 minutes 24 seconds East (bearing based on Alabama State Plane, West Zone, NAD 83 Grid) and run along the accepted North line, a distance of 1,325.05 feet; thence South 14 degrees 24 minutes 45 seconds West, a distance of 289.90 feet; thence South 14 degrees 24 minutes 45 seconds West, a distance of 10.38 feet; thence South 30 degrees 05 minutes 38 seconds West, a distance of 60.00 feet; thence South 33 degrees 24 minutes 49 seconds West, a distance of 442.42 feet; thence South 63 degrees 29 minutes 05 seconds West, a distance of 1,118.82 feet to a point on the West line of said Northwest Quarter of the Southeast Quarter; thence North 01 degrees 09 minutes 07 seconds East, a distance of 1,252.48 feet to the point of the beginning. Containing 25.80 acres of land, more or less.

within the city limits of Cullman, Alabama, and lying and being in Cullman County, State of Alabama, designated as R-1 Residential District on the Zoning Map of the City of Cullman, Alabama, under Ordinances No. 2004-03 and as may be reflected in any comprehensive master plan for the City of Cullman, Alabama, be, and is hereby changed from R-1 Residential District to R-2 Residential District.

2. That this ordinance be published at least once a week for two consecutive weeks in advance of its final passage in a newspaper with general circulation within the City of Cullman, Alabama, the first publication of said notice and ordinance being verbatim and the second publication either verbatim or synopsis, with the last publication being at least 15 days prior to the date set for public hearing and passage of said ordinance.
3. That a public hearing be held relative to the passage of this ordinance on the 13th day of April, 2020 at 7:00 o'clock p.m., at which time interested parties and citizens shall have the opportunity to be heard concerning said ordinance and any changes relating thereto.
4. That all notices as required by law be given by the City Clerk concerning said public hearing, and in addition thereto, a certified letter be sent by the Clerk to all contiguous property owners at their last known addresses as shown by the tax records for the City of Cullman, Alabama.
5. That upon final passage of this ordinance, all zoning maps, master comprehensive plans or any other documents of the City of Cullman, Alabama, in conflict with this ordinance are hereby changed and amended to reflect the changes and amendments herein.
6. Should any part or portion of this ordinance be held invalid, unenforceable or unconstitutional, for whatever reason, by a court of competent jurisdiction, such ruling shall not affect any other part or portion of this ordinance.
7. This ordinance shall take effect and be in force from and after its passage or adoption as required by law, including notice, publication and public hearing, all in accordance with Section 11-52-1, et seq., Code of Alabama 1975, as amended.

ADOPTED BY THE CITY COUNCIL, this the 27th day of April, 2020.

/s/ Jenny Folsom, City Council President

ATTEST:

/s/Wesley M. Moore, Clerk

APPROVED BY THE MAYOR this the 27th day of April, 2020.

/s/ Woody Jacobs, Mayor

Council Member Page seconded the motion and the motion was approved by roll call vote. Mr. Wesley Moore polled the Council Members: Council Member Page: Aye. Council President Pro Tem Johnny Cook: Aye. Council President Folsom: Aye. Council Member Moss: Aye. Council Member Hollingsworth: Aye.

Council President Folsom held the first reading of Ordinance No. 2020-27 to authorize the issuance of an SRF loan in the amount of \$7,110,000 for improvements to the sewer system. Council President Pro Tem Cook made a motion to suspend the rules to consider Ordinance No. 2020-27 to authorize the issuance of an SRF loan in the amount of \$7,110,000 for improvements to the sewer system. Council Member Hollingsworth seconded the motion to suspend the rules, and the motion was approved by a roll call vote. Mr. Wesley Moore polled the Council Members: Council Member Page: Aye. Council President Pro Tem Johnny Cook: Aye. Council President Folsom: Aye. Council Member Moss: Aye. Council Member Hollingsworth: Aye. Council President Pro Tem Cook made a motion to adopt the following Ordinance No. 2020-27.

**ORDINANCE NO. 2020 - 27
AN ORDINANCE TO AUTHORIZE THE ISSUANCE
OF ONE \$7,110,000 GENERAL OBLIGATION WARRANT
SERIES 2020-CWSRF-DL**

BE IT ORDAINED by the City Council of the City of Cullman, Alabama, a municipal corporation under the laws of the State of Alabama (the "City"), as follows:

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.1 Definitions. The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations herein:

"**ADEM**" means the Alabama Department of Environmental Management, an agency of the State of Alabama created pursuant to Chapter 22A of Title 22 of the Code of Alabama 1975, as amended.

"**Allowable Costs**" shall have the meaning given to such term in the Special Loan Conditions Agreement.

"**Authority**" means the Alabama Water Pollution Control Authority, a public corporation under the laws of the State of Alabama.

"**Authority Loan**" means the loan in the initial amount of \$7,110,000 made to the City by the Authority, the repayment of which is evidenced by the Series 2020-CWSRF-DL Warrant.

"**Authority Trustee**" means The Bank of New York Mellon Trust Company, N.A., as successor trustee to J.P. Morgan Trust Company, N.A., under the Master Authority Trust Indenture.

"**Authority Trustee Prime Rate**" means the rate of interest established (whether or not charged) from time to time by the Authority Trustee as its general reference rate of interest, after taking into account such factors as the Authority Trustee may from time to time deem appropriate in its sole discretion (it being understood, however, that the Authority Trustee may from time to time make various loans at rates of interest having no relationship to such general reference rate of interest).

"**City**" means the City of Cullman, Alabama, a municipal corporation under the laws of the State of Alabama.

"**City Sewer System**" means the entire sanitary sewer system owned by the City and all additions thereto and replacements thereof, and all properties, rights easements and franchises appurtenant thereto, whether any of the said properties are now owned by the City or may be hereafter acquired by it.

"**Council**" means the governing body of the City as from time to time constituted.

"**Davis-Bacon Act**" means the Davis-Bacon Act of 1931, P.L. No. 403.

"**Holder**" means the person in whose name the Series 2020-CWSRF-DL Warrant is registered.

"**Interest Payment Date**" means each August 15 and February 15, commencing August 15, 2020, and continuing until and including the maturity of the Series 2020-CWSRF-DL Warrant.

"**Loan Amount**" has the meaning given in the Special Loan Conditions Agreement.

"**Master Authority Trust Indenture**" means the Master Direct Loan Trust Indenture from the Authority to the Authority Trustee, dated as of January 1, 2004.

"**Project**" means the improvements to the City Sewer System to be constructed with proceeds of the Authority Loan in accordance with the provisions of the Special Loan Conditions Agreement.

"**Project Fund**" means the Project Fund created in the Master Authority Trust Indenture wherein proceeds of the Authority Loan will be deposited and held pending disbursement to or on behalf of the City for Allowable Costs respecting the Project.

"**Project Funds**" means the amount from the Authority Loan deposited into the Project Fund.

"**Redemption Date**" means the date fixed for redemption of any principal installments of the Series 2020-CWSRF-DL Warrant in a Resolution adopted pursuant to the provisions of Section 3.1(e) hereof.

"**Redemption Price**" means the price at which the Series 2020-CWSRF-DL Warrant or principal installments thereof called for redemption and prepayment may be redeemed on the Redemption Date.

"**Resolution**" or "**Ordinance**" means a resolution or ordinance adopted by the Council.

"**Series 2020-CWSRF-DL Warrant**" without other qualifying words, means the \$7,110,000 General Obligation Warrant, Series 2020-CWSRF-DL, herein authorized evidencing the obligation of the City to repay the Authority Loan.

"**Special Loan Conditions Agreement**" means the Special Authority Loan Conditions Agreement (CWSRF) among the City, the Authority and ADEM, dated as of May 15, 2020.

"**United States Securities**" means any securities that are direct obligations of the United States of America and any securities with respect to which payment of the principal thereof and the interest thereon is unconditionally guaranteed by the United States of America.

"**Warrant Fund**" shall have the meaning given to such term in Section 3.3(a) hereof.

Section 1.2 Use of Words and Phrases. The following words and phrases, where used in this Resolution, shall be given the following and respective interpretations:

"Herein," "hereby," "hereunder," "hereof" and other equivalent words refer to this Resolution as an entirety and not solely to the particular portion hereof in which any such word is used.

The definitions set forth in Section 1.1 hereof shall be deemed applicable whether the words defined are herein used in the singular or plural.

Any pronoun or pronouns used herein in any fashion shall be deemed to include both singular and plural and to cover all genders.

ARTICLE II

FINDINGS

Section 2.1 Findings. The Council does hereby find and declare that the following facts are true and correct:

(a) It is necessary, desirable and in the public interest that the City make certain capital improvements to the City Sewer System (the "Project"), the estimated costs of the said improvements being in excess of \$7,110,000. The City has heretofore filed an application with ADEM for the purpose of obtaining a loan from the Authority to provide funds to pay a portion of the costs of the Project and to pay a portion of the costs of obtaining said loan.

(b) The award of the loan to the City will be of substantial economic benefit to the City and the public by reducing the amount of interest that would be payable by the City if the funds were provided from sources other than from the Authority Loan.

(c) The current capitalization grant agreement between the Authority and the United States Environmental Protection Agency (the "Capitalization Grant Agreement") requires, among other things, that all projects funded in whole or part with Authority Funds, including the Project, be constructed in accordance with certain provisions of the Davis-Bacon Act.

(d) The Council deems it necessary, desirable and in the public interest that the City obtain the Authority Loan for the purpose of providing funds to finance the costs of the Project and pay a portion of the costs of obtaining the Authority Loan. In order to accept and evidence the obligation of the City to repay the Authority Loan, the City deems it necessary, desirable and in the public interest that the Series 2020-CWSRF-DL Warrant hereinafter authorized be issued.

(e) The City is not in default under any Resolution, Ordinance, indenture or other instrument authorizing any outstanding indebtedness of the City, and no such default is imminent.

ARTICLE III

ACCEPTANCE OF AUTHORITY LOAN AND ISSUANCE OF SERIES 2020-CWSRF-DL WARRANT

Section 3.1 (a) Authority Loan Made and Accepted. In consideration of the mutual promises and agreements made in the Special Loan Conditions Agreement, in this Ordinance and in the Series 2020-CWSRF-DL Warrant, and subject to the terms and conditions of each, the City, by the delivery of the Series 2020-CWSRF-DL Warrant, accepts the Authority Loan that the Authority has, upon delivery to it of the Series 2020-CWSRF-DL Warrant, made available to the City in the Loan Amount in the manner and to the extent specified in the Special Loan Conditions Agreement.

(b) **Authorization and Description of the Series 2020-CWSRF-DL Warrant.** Pursuant to the applicable provisions of the Constitution and laws of the State of Alabama, including particularly Section 11-47-2 of the Code of Alabama 1975, as amended, and for the purpose of evidencing the obligation of the City to repay the Authority Loan, there is hereby authorized to be issued by the City one fully registered General Obligation Warrant, Series 2020-CWSRF-DL, in the aggregate principal amount of \$7,110,000. The Series 2020-CWSRF-DL Warrant shall be issued as one fully registered warrant without coupons, shall be dated May 15, 2020, and shall mature and become payable on February 15 in the following principal installments in the following years:

Year	Principal Amount Maturing
2021	\$285,000
2022	295,000
2023	300,000
2024	305,000
2025	315,000
2026	320,000
2027	325,000
2028	335,000
2029	340,000
2030	350,000
2031	355,000
2032	365,000
2033	370,000
2034	380,000
2035	390,000
2036	400,000
2037	405,000
2038	415,000
2039	425,000
2040	435,000

The Series 2020-CWSRF-DL Warrant shall be initially issued and registered in the name of the Authority.

(c) **Interest Rate and Method of Payment of Principal and Interest.** The principal amount of the Series 2020-CWSRF-DL Warrant shall bear interest at a rate of 2.20% per annum, such rate to be computed on the basis of a 360-day year of 12 consecutive 30-day months, as reflected in the amortization schedule set forth on Appendix C to the Special Loan Conditions Agreement. Such interest shall be payable semiannually on each August 15 and February 15, commencing August 15, 2020, until and at the final maturity of the Series 2020-CWSRF-DL Warrant. Payment of the principal of and interest on the Series 2020-CWSRF-DL Warrant shall be payable in lawful money of the United States of America by check or draft mailed by the Authority Trustee to the lawful Holder of the Series 2020-CWSRF-DL Warrant at the address shown on the registry books of the Authority Trustee pertaining to the Series 2020-CWSRF-DL Warrant; provided, that so long as the Authority is the registered Holder of the Series 2020-CWSRF-DL Warrant, payment of the principal of and the interest on the Series 2020-CWSRF-DL Warrant shall be made by the Authority Trustee in accordance with instructions given the Authority Trustee by the Authority.

(d) **Interest Rate and Loan Amount after Maturity.** Each installment of principal of and interest on the Series 2020-CWSRF-DL Warrant shall bear interest after its due date until paid at a per annum rate of interest equal to 2% above the Authority Trustee Prime Rate.

(e) **Redemption Provisions.** Those of the principal installments of the Series 2020-CWSRF-DL Warrant having stated maturities on February 15, 2031, and thereafter may be redeemed and paid prior to their respective maturities, at the option of the City, as a whole or in part (but if in part, in the inverse order of installments of principal), on February 15, 2030, and on any date thereafter, at and for a redemption price with respect to each principal installment of the Series 2020-CWSRF-DL Warrant redeemed equal to the principal prepaid plus accrued interest thereon to the Redemption Date. Any such redemption or prepayment of the Series 2020-CWSRF-DL Warrant shall be effected in the following manner:

(1) **Call.** The City shall by Resolution or Ordinance call for redemption and prepayment of the Series 2020-CWSRF-DL Warrant (or principal portions thereof) on the stated date when it is by its terms subject to redemption, and shall recite in said Resolution that the City is not in default with respect to payment of the principal of or interest on the Series 2020-CWSRF-DL Warrant.

(2) **Notice.** The Authority Trustee shall forward by United States Registered Mail, First Class Mail, or United States Certified Mail to the Holder of the Series 2020-CWSRF-DL Warrant a notice stating the following: (I) that the Series 2020-CWSRF-DL Warrant (or principal installments thereof) has been called for redemption and will become due and payable at the Redemption Price, on a specified Redemption Date, and (II) that all interest on the Series 2020-CWSRF-DL Warrant will cease after the Redemption Date. Such notice shall be so mailed not less than forty-five (45) days nor more than ninety (90) days prior to the Redemption Date. The Holder of the Series 2020-CWSRF-DL Warrant may waive the requirements of this subsection.

(3) **Payment of Redemption Price.** Not later than forty-five (45) days prior to the Redemption Date, the City shall make available at the Authority Trustee the total Redemption Price of the Series 2020-CWSRF-DL Warrant or principal installments thereof so called for redemption and shall further provide to the Authority a certified copy of the Resolution required in subsection (a) of this section.

Upon compliance by the City with the foregoing requirements on its part contained in this subsection, and if the City is not on the Redemption Date in default with respect to the payment of the principal of or interest on the Series 2020-CWSRF-DL Warrant, the Series 2020-CWSRF-DL Warrant (or principal portions thereof) called for redemption shall become due and payable at the Redemption Price on the Redemption Date specified in such notice, anything herein or in the Series 2020-CWSRF-DL Warrant to the contrary notwithstanding, and the Holder thereof shall then and there surrender the Series 2020-CWSRF-DL Warrant for redemption; provided however, that in the event that less than all of the outstanding principal of the Series 2020-CWSRF-DL Warrant is to be redeemed, the registered Holder thereof shall surrender the Series 2020-CWSRF-DL Warrant that is to be prepaid in part to the Authority Trustee in exchange, without expense to the Holder, for a new Series 2020-CWSRF-DL Warrant of like tenor, except in a principal amount equal to the unredeemed portion of the Series 2020-CWSRF-DL Warrant. All future interest on the Series 2020-CWSRF-DL Warrant (or principal portions thereof) so called for redemption shall cease to accrue after the Redemption Date. Out of the moneys so deposited with it, the Authority Trustee shall make provision for payment of the Series 2020-CWSRF-DL Warrant (or principal portions thereof) so called for redemption at the Redemption Price and on the Redemption Date.

Section 3.2 General Obligation of City. The indebtedness evidenced and ordered paid by the Series 2020-CWSRF-DL Warrant is and shall be a general obligation of the City to which the full faith and credit of the City are hereby irrevocably pledged.

Section 3.3 Warrant Fund. (a) **Payments Therein and Use and Continuance Thereof.** There is hereby created a special fund to be designated the "City of Cullman Series 2020-CWSRF-DL Warrant Fund" (the "Warrant Fund") for the purpose of providing for payment of the principal of and interest on the Series 2020-CWSRF-DL Warrant, at the respective maturities of said principal and interest, which special fund shall be maintained until the principal of and interest on the Series 2020-CWSRF-DL Warrant has been paid in full. On or before August 15, 2020, and on or before each February 15 and August 15 thereafter until the principal of and interest on the Series 2020-CWSRF-DL Warrant shall have been paid in full, the City will pay into the Warrant Fund an amount equal to the sum of (i) the interest that will mature on the Series 2020-CWSRF-DL Warrant on such February 15 or August 15, as the case may be, plus (ii) the principal installment that will mature on the Series 2020-CWSRF-DL Warrant on such February 15.

(b) **Use of Moneys in Warrant Fund.** All moneys paid into the Warrant Fund shall be used only for payment of the principal of and the interest on the Series 2020-CWSRF-DL Warrant upon or after the respective maturities of such principal and interest; provided, that if at the final maturity of the Series 2020-CWSRF-DL Warrant, however the same may mature, there shall be in the Warrant Fund moneys in excess of what shall be required to pay in full the principal of and the interest on the Series 2020-CWSRF-DL Warrant, then any such excess shall thereupon be returned to the City.

(c) **Appointment of Authority Trustee.** The City hereby appoints The Bank of New York Mellon Trust Company, N.A., as registrar and paying agent with respect to the Series 2020-CWSRF-DL Warrant. The City shall have no liability for payment of any charges or fees of the Authority Trustee in acting in such capacity, it being understood that all such charges or fees shall be the sole responsibility of the Authority.

(d) **Trust Nature of and Security for the Warrant Fund.** The Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Warrant Fund is herein created. Each depository for any part of the Warrant Fund shall at all times keep the moneys on deposit with it in the Warrant Fund continuously secured for the benefit of the City and the Holder of the Series 2020-CWSRF-DL Warrant either:

(1) by holding on deposit as collateral security United States Securities or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in the Series 2020-CWSRF-DL Warrant Fund, or

(2) if the furnishing of security in the manner provided in the foregoing clause (1) of this sentence is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for any such depository so to secure any portion of the moneys on deposit in the Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency of the United States of America that may succeed to its functions).

Section 3.4 Form of Series 2020-CWSRF-DL Warrant. The Series 2020-CWSRF-DL Warrant shall be in substantially the following form, with such insertions, omissions and other variations as may be necessary to conform to the provisions hereof:

Form of Series 2020-CWSRF-DL Warrant

UNITED STATES OF AMERICA

STATE OF ALABAMA

CITY OF CULLMAN

**GENERAL OBLIGATION WARRANT
SERIES 2020-CWSRF-DL**

Subject to prior payment and other provisions as herein provided

The City Treasurer of the **CITY OF CULLMAN, ALABAMA**, a municipal corporation under the laws of Alabama (the "City"), is hereby ordered and directed to pay to **ALABAMA WATER POLLUTION CONTROL AUTHORITY**, or registered assigns, the aggregate principal sum of

SEVEN MILLION ONE HUNDRED TEN THOUSAND DOLLARS

in principal installments on February 15 in the following respective years and principal amounts:

Year	Principal Amount Maturing
2021	\$285,000
2022	295,000
2023	300,000
2024	305,000
2025	315,000
2026	320,000
2027	325,000
2028	335,000
2029	340,000
2030	350,000
2031	355,000
2032	365,000
2033	370,000
2034	380,000
2035	390,000
2036	400,000
2037	405,000
2038	415,000
2039	425,000
2040	435,000

with interest on the then unpaid principal balance hereof at the rate of 2.20% per annum, such rates to be computed on the basis of a 360-day year of 12 consecutive 30-day months, as reflected in the amortization schedule set forth on Appendix C to the Special Loan Conditions Agreement. Such interest shall be payable semiannually on August 15, 2020, and on each February 15 and August 15 thereafter.

Interest on this Series 2020-CWSRF-DL Warrant is payable by check or draft mailed by The Bank of New York Mellon Trust Company, N.A. (the "Authority Trustee"), to the then registered holder hereof at the address shown on the registry books of the Authority

Trustee pertaining to the Series 2020-CWSRF-DL Warrant; provided, that so long as the Alabama Water Pollution Control Authority (the "Authority") is the registered holder of this Series 2020-CWSRF-DL Warrant the payments of principal of and interest on this Series 2020-CWSRF-DL Warrant shall be made by the Authority Trustee in accordance with instructions given the Authority Trustee by the Authority. Interest on this Series 2020-CWSRF-DL Warrant shall be deemed timely made if mailed to the then registered holder on the interest payment date with respect to which such payment is made or, if such interest payment date is not a business day, then on the first business day following such interest payment date. The Ordinance described below provides that all payments by the City or the Authority Trustee to the person in whose name this Series 2020-CWSRF-DL Warrant is registered shall to the extent thereof fully discharge and satisfy all liability for the same. Any transferee of this Series 2020-CWSRF-DL Warrant takes it subject to all payments of principal and interest in fact made with respect hereto.

This Series 2020-CWSRF-DL Warrant evidences a duly authorized warrant designated \$7,110,000 General Obligation Warrant, Series 2020-CWSRF-DL, dated May 15, 2020 (herein called the "Series 2020-CWSRF-DL Warrant"). This Series 2020-CWSRF-DL Warrant is issued only as a single fully registered warrant pursuant to the applicable provisions of the Constitution and laws of Alabama, including particularly Section 11-47-2 of the Code of Alabama 1975, as amended, and an ordinance (the "Ordinance") duly adopted by the governing body of the City on April 27, 2020.

Those of the principal installments hereof having stated maturities on February 15, 2031, and thereafter, may be redeemed and paid prior to their respective maturities, at the option of the City, as a whole or in part (but if in part, in the inverse order of installments of principal), on February 15, 2030, and on any date thereafter, at and for a redemption price with respect to each principal installment of the Series 2020-CWSRF-DL Warrant redeemed equal to the principal prepaid plus accrued interest thereon to the Redemption Date, after not less than forty-five (45) nor more than ninety (90) days prior notice by United States Registered Mail, First Class Mail, or Certified Mail to the registered owner of this warrant, at and for a redemption price equal to the principal so prepaid plus accrued interest to the date of prepayment.

In the event less than all the outstanding principal hereof is to be redeemed, the registered Holder hereof shall surrender this Series 2020-CWSRF-DL Warrant to the Authority Trustee in exchange for a new Series 2020-CWSRF-DL Warrant of like tenor herewith except in a principal amount equal to the unredeemed portion of this warrant. Upon the giving of notice of redemption in accordance with the provisions of the Ordinance, this warrant (or principal installments thereof) so called for redemption and prepayment shall become due and payable on the date specified in such notice, anything herein or in the Ordinance to the contrary notwithstanding, and the Holder hereof shall then and there surrender for prepayment, and all future interest on the Series 2020-CWSRF-DL Warrant (or principal installments thereof) so called for prepayment shall cease to accrue after the date specified in such notice, whether or not the Series 2020-CWSRF-DL Warrant is so presented.

The indebtedness evidenced and ordered paid by this Series 2020-CWSRF-DL Warrant is and shall be a general obligation of the City for the payment of which the full faith and credit of the City have been irrevocably pledged.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Series 2020-CWSRF-DL Warrant is lawfully due without condition, abatement or offset of any description; that this Series 2020-CWSRF-DL Warrant has been registered in the manner provided by law; that all conditions, actions and things required by the Constitution and laws of the State of Alabama to exist, be performed or happen precedent to and in the issuance of this Series 2020-CWSRF-DL Warrant do exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Series 2020-CWSRF-DL Warrant, together with all other indebtedness of the City, was at the time the same was created and is now within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

This Series 2020-CWSRF-DL Warrant is transferable by the registered holder hereof, in person or by authorized attorney, only on the books of the Authority Trustee (the registrar and transfer agent of the City) and only upon surrender of this Series 2020-CWSRF-DL Warrant to the Authority Trustee for cancellation, and upon any such transfer a new Series 2020-CWSRF-DL Warrant of like tenor hereof will be issued to the transferee in exchange therefor, all as more particularly described in the Ordinance. Each holder, by receiving or accepting this Series 2020-CWSRF-DL Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Authority Trustee are concerned, this Series 2020-CWSRF-DL Warrant may be transferred only in accordance with the provisions of the Ordinance.

The Authority Trustee shall not be required to transfer or exchange this Series 2020-CWSRF-DL Warrant during the period of fifteen (15) days next preceding any February 15 or August 15; and in the event that this Series 2020-CWSRF-DL Warrant (or any principal portion hereof) is duly called for redemption and prepayment, the Authority Trustee shall not be required to register or transfer this Series 2020-CWSRF-DL Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption and prepayment.

Execution by the Authority Trustee of its registration certificate hereon is essential to the validity hereof.

IN WITNESS WHEREOF, the City has caused this Series 2020-CWSRF-DL Warrant to be executed in its name and behalf by the Mayor of the City, has caused its corporate seal to be hereunto affixed, has caused this Series 2020-CWSRF-DL Warrant to be attested by the signature of the City Clerk, and has caused this Series 2020-CWSRF-DL Warrant to be dated May 15, 2020.

CITY OF CULLMAN, ALABAMA

By: _____
Mayor

[S E A L]

ATTEST:

By: _____
City Clerk

(Form of Registration Certificate)

This Series 2020-CWSRF-DL Warrant was registered in the name of the above-registered owner this 15th day of May, 2020.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**

By: _____
Its Authorized Officer

(Form of Assignment)

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto the within warrant and hereby irrevocably constitute(s) and appoints _____ attorney, with full power of substitution in the premises, to transfer this warrant on the books of the within-mentioned Authority Trustee.

DATED this ___ day of _____, _____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within warrant in every particular, without alteration, enlargement or change whatsoever.

Signature guaranteed:

(Bank, Trust Company, or Firm*)

By _____
(Authorized Officer)

Its Medallion Number: ___

- * Signature(s) must be guaranteed by an eligible guarantor institution which is a member of a recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP), or New York Stock Exchange Medallion Signature Program (MSP).

ARTICLE IV

EXECUTION, REGISTRATION AND TRANSFER OF SERIES 2020-CWSRF-DL WARRANT

Section 4.1 Execution of Series 2020-CWSRF-DL Warrant. The Series 2020-CWSRF-DL Warrant shall be executed by the Mayor, and the seal of the City shall be affixed thereto and attested by the City Clerk. The Series 2020-CWSRF-DL Warrant shall be registered as a claim against the City by the City Treasurer. Signatures on the Series 2020-CWSRF-DL Warrant by persons who were officers of the City at the time such signatures were written or printed shall continue effective although such persons cease to be such officers prior to the delivery of the Series 2020-CWSRF-DL Warrant.

Section 4.2 Registration and Transfer. (a) **Registration Certificate on Series 2020-CWSRF-DL Warrant.** A registration certificate, in substantially the form appearing in the form of the Series 2020-CWSRF-DL Warrant set forth in Article III hereof, duly executed by the manual signature of the Authority Trustee, shall be endorsed on the Series 2020-CWSRF-DL Warrant and shall be essential to its validity.

(b) **Registration and Transfer of Series 2020-CWSRF-DL Warrant.** The Series 2020-CWSRF-DL Warrant shall be registered as to both principal and interest, and shall be transferable only on the registry books of the Authority Trustee. The Authority Trustee shall be the registrar and transfer agent of the City and shall keep at its office proper registry and transfer books in which it will note the registration and transfer of such Series 2020-CWSRF-DL Warrant presented for such purpose, all in the manner and to the extent hereinafter specified.

No transfer of the Series 2020-CWSRF-DL Warrant shall be valid hereunder except upon presentation and surrender of such Series 2020-CWSRF-DL Warrant at the office of the Authority Trustee with written power to transfer signed by the registered owner thereof in person or by duly authorized attorney, properly stamped if required, in form and with guaranty of signature satisfactory to the Authority Trustee, whereupon the City shall execute, and the Authority Trustee shall register and deliver to the transferee, a new Series 2020-CWSRF-DL Warrant, registered in the name of such transferee and of like tenor as that presented for transfer. The person in whose name the Series 2020-CWSRF-DL Warrant is registered on the books of the Authority Trustee shall be the sole person to whom or on whose order payments on account of the principal thereof and of the interest (and premium, if any) thereon may be made. Each Holder of the Series 2020-CWSRF-DL Warrant, by receiving or accepting such Series 2020-CWSRF-DL Warrant, shall consent and agree and shall be estopped to deny that, insofar as the City and the Authority Trustee are concerned, the Series 2020-CWSRF-DL Warrant may be transferred only in accordance with the provisions of this Ordinance.

The Authority Trustee shall not be required to register or transfer any Series 2020-CWSRF-DL Warrant during the period of fifteen (15) days next preceding any Interest Payment Date with respect thereto; and if any Series 2020-CWSRF-DL Warrant is duly called for redemption (in whole or in part), the Authority Trustee shall not be required to register or transfer such Series 2020-CWSRF-DL Warrant during the period of forty-five (45) days next preceding any Redemption Date.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES OF WARRANTHOLDER

Section 5.1 Events of Default Defined. Any of the following shall constitute default hereunder by the City:

(a) Failure by the City to pay any installment of the principal of or the interest on the Series 2020-CWSRF-DL Warrant when any such principal or interest shall respectively become due and payable, whether by maturity or otherwise;

(b) A default by the City under the Special Loan Conditions Agreement; or

(c) A determination by a court having jurisdiction that the City is insolvent or bankrupt, or appointment by a court having jurisdiction of a receiver for the City or for all or a substantial part of the assets of the City, or the

approval by a court of competent jurisdiction of any petition for reorganization of the City or rearrangement or readjustment of its obligations under any provisions of the bankruptcy laws of the United States.

Section 5.2 Remedies on Default. Upon any default by the City in any one of the ways defined in Section 5.1 hereof, the Holder of the Series 2020-CWSRF-DL Warrant shall have the following rights and remedies:

(a) **Acceleration.** The Holder of the Series 2020-CWSRF-DL Warrant may, by written notice to the City, declare all principal of the Series 2020-CWSRF-DL Warrant forthwith due and payable, and thereupon it shall so be, anything herein or therein to the contrary notwithstanding. If, however, the City shall make good that default and every other default hereunder (except the principal so declared payable), with interest on all overdue payments of principal and interest, then the Holder of the Series 2020-CWSRF-DL Warrant, by written notice to the City, may waive such default and its consequences, but no such waiver shall affect any subsequent default or right relative thereto; and

(b) **Suits at Law or in Equity.** The Holder of the Series 2020-CWSRF-DL Warrant is empowered (i) to sue on such warrant, (ii) by mandamus, suit or other proceeding, to enforce all agreements of the City herein contained, (iii) by action or suit in equity, to require the City to account as if it were the trustee of an express trust for the Holder of the Series 2020-CWSRF-DL Warrant, and (iv) by action or suit in equity, to enjoin any act or things which may be unlawful or a violation of the rights of the Holder of the Series 2020-CWSRF-DL Warrant.

Section 5.3 Delay No Waiver. No delay or omission by the Holder of the Series 2020-CWSRF-DL Warrant to exercise any available right, power or remedy hereunder shall impair or be construed a waiver thereof or an acquiescence in the circumstances giving rise thereto; every right, power or remedy given herein to the Holder of the Series 2020-CWSRF-DL Warrant may be exercised from time to time and as often as deemed expedient.

ARTICLE VI

AGREEMENTS RESPECTING CONSTRUCTION AND ACQUISITION OF THE PROJECT AND SALE OF SERIES 2020-CWSRF-DL WARRANT

Section 6.1 Construction and Acquisition of the Project. The City will commence and complete construction and acquisition of the Project, including the acquisition of such real estate (or easements or other interests therein) as may be necessary therefor, as soon as possible.

Section 6.2 Application of Authority Loan Proceeds. The entire proceeds derived from the Authority Loan shall be held by the Authority Trustee and applied in accordance with the provisions of the Master Authority Trust Indenture and the Special Loan Conditions Agreement.

Section 6.3 Sale of Series 2020-CWSRF-DL Warrant. In consideration of the funding of the Authority Loan, the Series 2020-CWSRF-DL Warrant is hereby issued and sold to Alabama Water Pollution Control Authority at a purchase price equal to its initial par amount (\$7,110,000). The City Clerk is hereby authorized to affix the seal of the City to the Series 2020-CWSRF-DL Warrant and is directed to deliver the Series 2020-CWSRF-DL Warrant to the Authority. The issuance of the Series 2020-CWSRF-DL Warrant to the Authority shall evidence the obligation of the City to repay the Authority Loan.

Section 6.4 Authorization of Special Loan Conditions Agreement. The Mayor is hereby authorized and directed to execute and deliver, in the name and behalf of the City, the Special Loan Conditions Agreement, in substantially the form marked Exhibit A to this Ordinance and made a part hereof as if set out in full herein, and the City Clerk is hereby authorized and directed to affix the seal of the City to the said Special Loan Conditions Agreement and to attest the same.

Section 6.5 Additional Documents Authorized. The Mayor is hereby authorized and directed to execute such documents or certificates as may be necessary or desirable in order to carry out the transactions contemplated by this Ordinance. The City Clerk is hereby authorized to attest any such other documents or certificates necessary or desirable to carry out the transactions contemplated by this Ordinance and is authorized to affix the seal of the City to any such documents or certificates.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 7.1 Provisions Constitute Contract. The provisions of this Ordinance shall constitute a contract between the City and the Holder of the Series 2020-CWSRF-DL Warrant.

Section 7.2 Severability. The provisions of this Ordinance are hereby declared to be severable. In the event any court of competent jurisdiction should hold any provision hereof to be invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision of this Ordinance.

Section 7.3 Persons Deemed Owners of Series 2020-CWSRF-DL Warrant. The City and the Authority Trustee may deem and treat the person in whose name the Series 2020-CWSRF-DL Warrant is registered as the absolute owner thereof for all purposes and all payments by any of them to the person in whose name the Series 2020-CWSRF-DL Warrant is registered shall, to the extent thereof, fully discharge and satisfy all liability for the same.

Section 7.4 Replacement of Mutilated, Lost, Stolen or Destroyed Series 2020-CWSRF-DL Warrant. In the event the Series 2020-CWSRF-DL Warrant is mutilated, lost, stolen or destroyed, the City may execute and deliver a new Series 2020-CWSRF-DL Warrant of like tenor as that mutilated, lost, stolen or destroyed; provided that (a) in the case of any such mutilated Series 2020-CWSRF-DL Warrant, such Series 2020-CWSRF-DL Warrant is first surrendered to the City and the Authority Trustee, and (b) in the case of any such lost, stolen or destroyed Series 2020-CWSRF-DL Warrant, there is first furnished to the City and the Authority Trustee evidence of such loss, theft or destruction satisfactory to each of them, together with indemnity satisfactory to each of them. The City may charge the Holder with the expense of issuing any such new Series 2020-CWSRF-DL Warrant.

Section 7.5 Provisions for Payment at Par. Each Authority Trustee at which the Series 2020-CWSRF-DL Warrant shall at any time be payable, by acceptance of its duties as paying agent therefor, shall be construed to have agreed thereby with the Holder of the Series 2020-CWSRF-DL Warrant that it will make, out of the funds supplied to it for that purpose, all remittances of principal and interest on the Series 2020-CWSRF-DL Warrant in bankable funds at par without any deduction for exchange or other costs, fees or expenses.

ADOPTED this 27th day of April, 2020.

/s/ Woody Jacobs, Mayor

ATTEST:

/s/Wesley M. Moore, Clerk

Council Member Hollingsworth seconded the motion to adopt Ordinance No. 2020-27, and the motion was approved by a roll call vote. Mr. Wesley Moore polled the Council Members: Council Member Page: Aye. Council President Pro Tem Johnny Cook: Aye. Council President Folsom: Aye. Council Member Moss: Aye. Council Member Hollingsworth: Aye.

Council President Pro Tem Cook made a motion to adopt the following resolution:

RESOLUTION NO. 2020 - 80

This Resolution is made this 27th day of April, 2020 (the Effective Date) by the City of Cullman, Alabama (the Granting Authority), to grant a tax abatement for HomTex, Inc. (the Company).

WHEREAS, the Company has announced plans for a major addition to their existing facility (the Project), located within the jurisdiction of the Granting Authority; and

WHEREAS, pursuant to the Tax Incentive Reform Act of 1992 (Section 40-9B-1 et seq., Code of Alabama 1975) (the Act), the Company has requested from the Granting Authority an Abatement of (check all that apply): all state and local noneducational ad valorem taxes, and all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or

WHEREAS, the Company has requested that the abatement of state and local noneducational ad valorem taxes (if applicable) be extended for a period of 10 years, in accordance with the Act; and

WHEREAS, the Granting Authority has considered the request of the Company and the completed application (copy attached) filed with the Granting Authority by the Company, in connection with its request; and

WHEREAS, the Granting Authority has found the information contained in the Company's application to be sufficient to permit the Granting Authority to make a reasonable cost/benefit analysis of the proposed project and to determine the economic benefits to the community; and

WHEREAS, the construction of the project will involve capital investment of \$5,000,000; and

WHEREAS, the Company is duly qualified to do business in the State of Alabama, and has powers to enter into, and to perform or observe the agreements and covenants on its part contained in the Tax Abatement Agreement; and

WHEREAS, the Granting Authority represents and warrants to the Company that it has power under that constitution and laws of the State of Alabama (including particularly the provisions of the Act) to carry out provisions of the Tax Abatement Agreement;

NOW THEREFORE, be it resolved by the Granting Authority as follows:

Section 1. Approval is hereby given to the application of the Company and abatement is hereby granted of (check all that apply): all state and local noneducational ad valorem taxes, and all construction related transaction taxes, except those construction related transaction taxes levied for educational purposes or for capital improvements for education, and/or as the same may apply to the fullest extent permitted by the Act. The period of abatement for the noneducational ad valorem taxes (if applicable) shall extend for a period of 10 years measured as provided in Section 40-9B-3(h) of the Act.

Section 2. The governing body of the Granting Authority is authorized to enter into an abatement agreement with the Company to provide for the abatement granted in Section 1.

Section 3. A certified copy of this resolution, with the application and abatement agreement, shall be forwarded to the Company to deliver to the appropriate local taxing authorities (if applicable) and to the Alabama Department of Revenue in accordance with the Act.

Section 4. The governing body of the Granting Authority is authorized to take any and all actions necessary or desirable to accomplish the purpose of the foregoing of this resolution.

ADOPTED BY THE CITY COUNCIL this the 27th day of April, 2020.

/s/ Jenny Folsom, City Council President

ATTEST:

/s/Wesley M. Moore, Clerk

APPROVED BY THE MAYOR this the 27th day of April, 2020.

/s/ Woody Jacobs, Mayor

Council Member Hollingsworth seconded the motion and the motion was approved by a voice vote. Ayes: All. Nays: None.

Council Member Moss made a motion to adopt the following resolution:

**RESOLUTION NO. 2020 – 81
TO MOVE THE DATE OF A CITY COUNCIL MEETING**

WHEREAS, the Cullman City Council has determined that there will be no quorum present for the regularly scheduled City Council Meeting on Monday, May 4th, 2020 at 7:00 p.m.;

THEREFORE, BE IT RESOLVED by the Cullman City Council that the date and time of the Council Meeting on Monday, May 4th, 2020 at 7:00 p.m. is hereby moved to Monday, May 18th, 2020 at 7:00 p.m.

ADOPTED BY THE CITY COUNCIL this the 27th day of April, 2020.

/s/ Jenny Folsom, City Council President

ATTEST:

/s/Wesley M. Moore, Clerk

APPROVED BY THE MAYOR this the 27th day of April, 2020.

/s/ Woody Jacobs, Mayor

Council Member Hollingsworth seconded the motion and the motion was approved by a voice vote. Ayes: All. Nays: None.

Council Member Moss made a motion to adopt the following resolution:

**RESOLUTION NO. 2020 - 82
AUTHORIZING THE COLLECTION OF DELINQUENT ACCOUNTS AND FINES**

WHEREAS, the City has accumulated numerous delinquent obligations owed to the City in the way of assessments, fees, accounts, and other debt; and

WHEREAS, the Council needs to authorize the City Attorney to proceed in collection of these obligations owed to the City as necessary.

THEREFORE, the City Council hereby authorizes the City Attorney to use legal means as necessary to collect outstanding debts owed to the City, which is reasonably advantageous to the City and as directed by the Mayor.

ADOPTED BY THE CITY COUNCIL, this the 27th day of April, 2020.

/s/ Jenny Folsom, City Council President

ATTEST:

/s/Wesley M. Moore, Clerk

APPROVED BY THE MAYOR this the 27th day of April, 2020.

/s/ Woody Jacobs, Mayor

Council President Pro Tem Cook seconded the motion and the motion was approved by a voice vote. Ayes: All. Nays: None.

BOARD APPOINTMENTS – None.

Council President Folsom asked for a motion to adjourn. Council President Pro Tem Cook made the motion to adjourn. Council Member Hollingsworth seconded the motion and the meeting was adjourned at 7:16 p.m.