

CITY RESOLUTION NO. CR-034-2022

A RESOLUTION OF THE LAFAYETTE CITY COUNCIL GRANTING AUTHORITY TO TAKE PRELIMINARY ACTION RELATIVE TO THE ISSUANCE, SALE AND DELIVERY OF NOT EXCEEDING \$50,000,000 OF UTILITIES REVENUE BONDS OF THE CITY OF LAFAYETTE, STATE OF LOUISIANA, IN ONE OR MORE SERIES; PROVIDING CERTAIN TERMS OF SAID BONDS; MAKING APPLICATION TO THE STATE BOND COMMISSION FOR APPROVAL OF SAID BONDS; HIRING PROFESSIONALS IN CONNECTION THEREWITH; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH

BE IT RESOLVED by the Lafayette City Council (the "Governing Authority") acting as the governing authority of the City of Lafayette, State of Louisiana (the "Issuer"), that:

WHEREAS, the Issuer owns and operates a utilities system as a single revenue producing public utility, consisting of the combined waterworks plants and system, electric power and light plant and systems, and sewer system (collectively, the "Utilities System"); and

WHEREAS, the Issuer has heretofore issued the following bonds (collectively, the "Outstanding Bonds") payable from and secured by the income and revenues derived or to be derived from the operation of the Utilities System, after provision has been made for the payment therefrom of the reasonable and necessary expenses of operation and maintaining the Utilities System (the "Net Revenues"):

- i. Utilities Revenue Refunding Bonds, Series 2012;
- ii. Utilities Revenue Refunding Bonds, Series 2017;
- iii. Utilities Revenue Bonds, Series 2019;
- iv. Taxable Utilities Revenue Refunding Bonds, Series 2021; and

WHEREAS, pursuant to Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act"), and subject to the approval of the State Bond Commission, the Issuer now desires to give preliminary approval to the issuance of not exceeding \$50,000,000 of its Utilities Revenue Bonds (the "Bonds"), in one or more series, for the purpose of (i) constructing and acquiring improvements and extensions to the Utilities System, including necessary equipment and furnishings therefor, (ii) funding a reserve, and (iii) paying the costs of issuance of the Bonds; and

WHEREAS, the Bonds, equally with the Outstanding Bonds existing from time to time, shall be payable solely from and secured by the Net Revenues of the Utilities System; and

WHEREAS, the Issuer desires to make formal application to the State Bond Commission for approval of the Bonds and further to employ professionals in connection therewith.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Lafayette City Council, that:

SECTION 1: Recitals. All of the aforescribed "Whereas" clauses are adopted as part of this resolution.

SECTION 2: Preliminary Approval of Bonds. Preliminary approval is given to the issuance of not exceeding \$50,000,000 aggregate principal amount of Utilities Revenue Bonds of the City of Lafayette, State of Louisiana, which may be issued in one or more series, pursuant to the Act, for the purpose of (i) constructing and acquiring improvements and extensions to the Utilities System, including necessary equipment and furnishings therefor, (ii) funding a reserve, and (iii) paying the costs of issuance of the Bonds, said Bonds to be payable, equally with the Outstanding Bonds existing from time to time, from an irrevocable pledge and dedication of the Net Revenues of the Utilities System. The Bonds will be issued at an interest rate not exceeding 6% per annum and shall mature no later than 30 years from the date thereof. The Bonds shall be issued in fully registered form and shall have such additional terms and provisions as may be determined by this Governing Authority.

SECTION 3: State Bond Commission. Application is hereby made to the State Bond Commission, Baton Rouge, Louisiana, for approval of the issuance and sale of the Bonds and for consent and authority to proceed with the issuance and sale of the Bonds as provided above, and Bond Counsel is directed to make application to the State Bond Commission in accordance with the foregoing on behalf of the Issuer. By virtue of applicant/issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that it understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns to, full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.," adopted by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

SECTION 4: Employment of Bond Counsel. This Governing Authority finds and determines that a real necessity exists for the employment of special counsel in connection with the issuance of the Bonds, and accordingly, Foley & Judell, L.L.P., of New Orleans, Louisiana, as Bond Counsel, is hereby employed to do and perform work of a traditional legal nature as bond counsel with respect to the issuance and sale of said Bonds. Said Bond Counsel shall prepare and submit to this Governing Authority for adoption all of the proceedings incidental to the authorization, issuance, sale and delivery of such Bonds, shall counsel and advise this Governing Authority as to the issuance and sale thereof and shall furnish its opinions covering the legality of the issuance of the Bonds. The fee of Bond Counsel for each series of bonds shall be fixed at a

sum not exceeding the fee allowed by the Attorney General's fee guidelines for such bond counsel work in connection with the issuance of the revenue bonds and based on the amount of said Bonds actually issued, sold, delivered and paid for, plus "out-of-pocket" expenses, said fees to be contingent upon the issuance, sale and delivery of said Bonds. The Lafayette Mayor-President is hereby authorized and directed to execute, and this Governing Authority hereby agrees to and accepts the terms of, the engagement letter of Bond Counsel appended hereto. A certified copy of this resolution shall be submitted to the Attorney General of the State of Louisiana for his written approval of said employment and of the fees herein designated, and the Chief Financial Officer is hereby empowered and directed to provide for payment of the work herein specified upon completion thereof and under the conditions herein enumerated without further approval of this Governing Authority.

SECTION 5: Appointment of Underwriting Syndicate/Co-Placement Agents. The Issuer hereby appoints and confirms an underwriting syndicate consisting of Stifel, Nicolaus & Company, Incorporated, Baton Rouge, Louisiana, and Raymond James & Associates, Inc., New Orleans, Louisiana (collectively, the "Underwriters"), said underwriting syndicate to be led in connection with the Bonds by Stifel Nicolaus & Company, Incorporated. Any compensation to the Underwriters is to be subsequently approved by the Governing Authority and to be paid from the proceeds of the Bonds and contingent upon the issuance of the Bonds.

Notwithstanding the foregoing, if the Bonds are sold by direct placement to a bank or other financial institution, the Underwriters shall instead act as Co-Placement Agents on behalf of the Issuer.

SECTION 6: All resolutions, or parts thereof, in conflict herewith are hereby repealed.

This resolution having been submitted to a vote, the vote on behalf of the Lafayette City Council thereon was as follows:

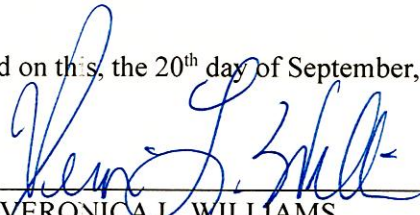
YEAS: Lewis, Naquin, Hebert, Cook, Lazard

NAYS: None

ABSENT: None

ABSTAIN: None

AND the resolution was declared adopted on this, the 20th day of September, 2022.


VERONICAL L. WILLIAMS
LAFAYETTE CLERK OF THE COUNCIL

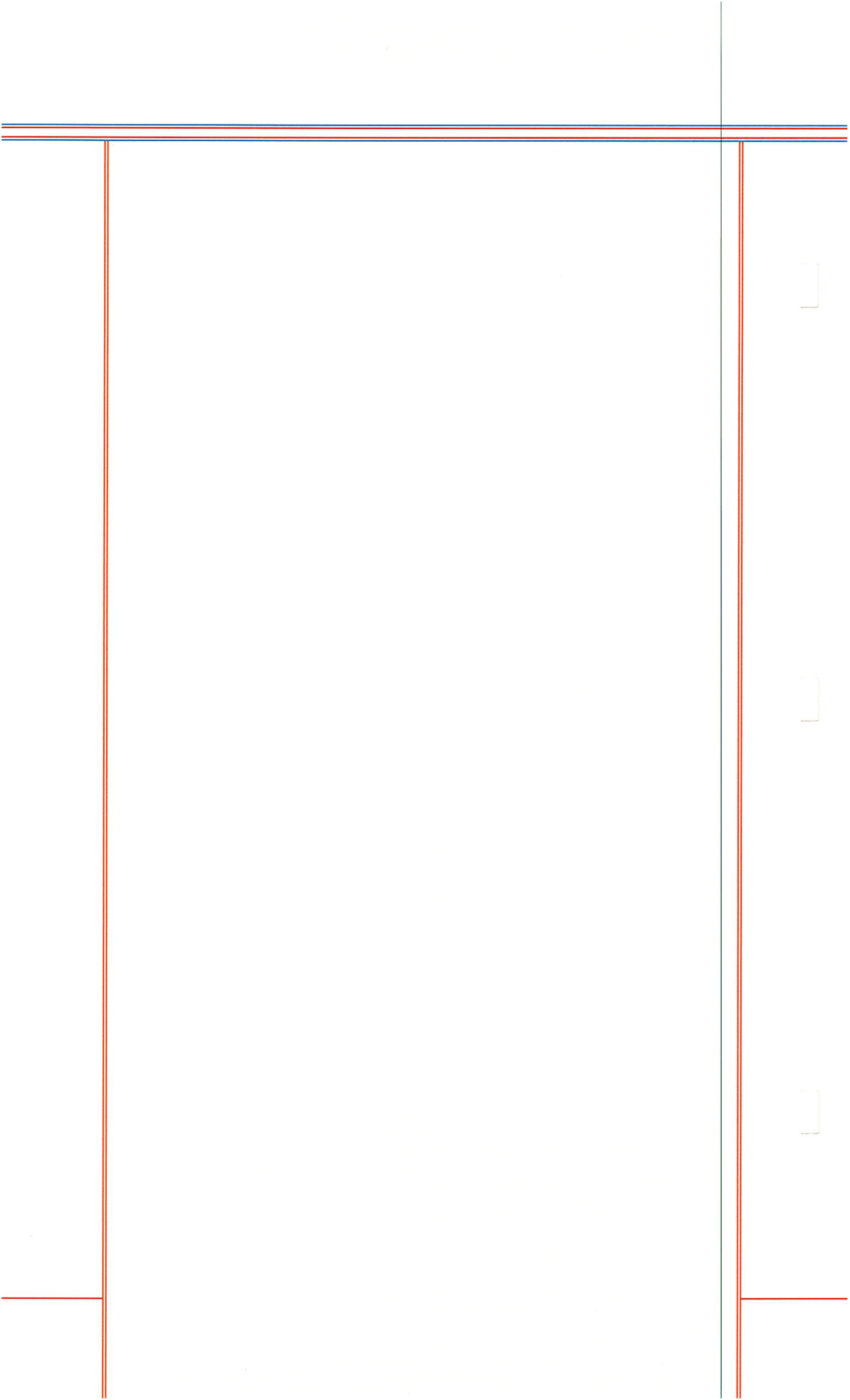


EXHIBIT A

ENGAGEMENT LETTER

September 20, 2022

Hon. Joshua S. Guillory, Mayor-President
City of Lafayette
Lafayette, Louisiana

Re: Proposed Utilities Revenue Bonds of the City of
Lafayette, State of Louisiana

Dear Mayor-President Guillory:

The purpose of this engagement letter is to set forth certain matters concerning the role we will serve and the legal services we will provide as bond counsel to the City of Lafayette, State of Louisiana (the "Issuer"), in connection with the issuance of the captioned bonds (the "Bonds"). We understand that the Bonds will be issued for the purpose described in the resolution adopted by the Lafayette City Council (the "Governing Authority"), acting as the governing authority of the Issuer, on September 20, 2022.

As bond counsel, we will prepare and submit to the Governing Authority for adoption all of the legal proceedings required for the authorization, issuance, sale and delivery of the Bonds and provide advice of a traditional legal nature as to the issuance and sale of the Bonds. Our job is principally to render certain opinions to the Issuer regarding (i) the validity of the Bonds under applicable Louisiana law, (ii) the exemption of interest paid on the Bonds from federal and/or state taxes, if applicable, and (iii) other matters as may be applicable. The bond opinion will be based on facts and law existing as of its date. In rendering such opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to our firm without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws and other resolutions relating to the Bonds. During the course of this engagement, we will rely upon the staff of the Issuer and the members of the Governing Authority to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds.

In our engagement as bond counsel, we will:

- Confer with members of the working group, including you and other officials of the Issuer, relating to the Bonds and review legal issues relating to the structure of the bond issue;
- Prepare the Issuing Bond Ordinance and all related financing documents (collectively, the "Bond Documents");
- Attend meetings of the Governing Authority at which the Bond Documents are adopted;
- Prepare the application for approval of the issuance of the Bonds by the State Bond Commission and attend the State Bond Commission meeting at which such approval will be considered;
- Review any insurance policy in the event the Issuer determines that the Bonds will have credit enhancement;
- Prepare the closing index and various closing certificates, including the Tax Compliance Certificate, if required, and supervise the execution of certain closing documents by the various parties thereto;
- Prepare and file Internal Revenue Service Form 8038-G, as required by Federal law;

- Prepare the Bonds and supervise their execution and authentication;
- Prepare complete transcripts of record covering the issuance of the Bonds and furnishing the transcripts to various parties in connection therewith; and
- Submit applicable post-closing reports to the State Bond Commission.

Our fee as bond counsel is based upon the terms, structure, size and schedule of the financing, the services provided, and the responsibilities assumed; however, our fee will not exceed that permitted by guidelines set forth by the Attorney General of the State of Louisiana and is subject to his approval. Our fee as bond counsel is a "contingent fee," meaning you are required to pay for our legal services only in the event the Bonds are actually sold and delivered. Other vendors or members of the working group may charge additional fees or costs for their services.

We will continue to serve as bond counsel until the delivery of the Bonds; however, the Issuer and our firm each have the right to terminate this engagement at any time after providing reasonable advanced written notice, subject to the applicable rules of professional responsibility. Upon conclusion or termination of our representation of the Issuer, papers and property furnished by the Issuer will be returned promptly upon request.

Please note that we are not municipal advisors, and we do not render financial advice or other financial services to the Issuer; however, in the course of providing traditional legal services, we may provide factual information to the Issuer that is not specifically tailored to the Bonds or that does not rise to the level of a recommendation concerning a course of action. We will, however, analyze and advise the Issuer regarding the legal ramifications of the structure, timing, terms and other provisions of the Bonds, as these functions are essential to developing a plan of finance.

Applicable ethical rules in Louisiana prohibit us from undertaking this representation if we represent another party that is directly adverse to the Issuer or if there is a significant risk that other considerations will materially limit our representation of the Issuer. As you are aware, our firm represents the State of Louisiana and many other political subdivisions, including others in Lafayette Parish. At this time, we do not believe any other current or past engagement of our firm adversely affects our ability to represent the Issuer as provided in this letter; however, we invite you to discuss any concerns you have with us.

In the interest of facilitating our services to you, we may (i) send documents, information or data electronically or via the Internet or (ii) store electronic documents or data via computer software applications hosted remotely or utilize cloud-based storage. Confidential electronic documents or data of the Issuer may be transmitted or stored using these methods. We may use third party service providers to store or transmit these documents or data. In using these electronic communication and storage methods, we employ reasonable efforts to keep such communications, documents and data secure in accordance with our obligations under applicable laws, regulations, and professional standards; however, the Issuer recognizes and accepts that we have no control over the unauthorized interception or breach of any communications, documents or data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us or by our third party service providers. By acceptance of this letter, the Issuer consents to our use of these electronic devices and applications and submission of confidential client information to or through third party service providers during this engagement.

If this letter is acceptable to the Issuer, please so indicate by executing below and returning a copy to us, retaining an original for your files. We appreciate the opportunity to serve the Issuer and look forward to working with you.

FOLEY & JUDELL, L.L.P.

BY: _____
M. JASON AKERS, PARTNER

**ACCEPTED AND APPROVED:
CITY OF LAFAYETTE, STATE OF LOUISIANA**

BY: _____
NAME: JOSHUA S. GUILLORY
TITLE: LAFAYETTE MAYOR-PRESIDENT

DATED: SEPTEMBER 20, 2022

STATE OF LOUISIANA

PARISH OF LAFAYETTE

I, the undersigned Lafayette Clerk of the Council, do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by the Lafayette City Council on September 20, 2022, granting authority to take preliminary action relative to the issuance, sale and delivery of not exceeding Fifty Million Dollars of Utilities Revenue Bonds of the City of Lafayette, State of Louisiana, in one or more series; providing certain terms of said bonds; making application to the State Bond Commission for approval of said bonds; hiring professionals in connection therewith; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this, the 20th day of September, 2022.

VERONICA L. WILLIAMS
LAFAYETTE CLERK OF THE COUNCIL

LAFAYETTE CITY COUNCIL MEETING

AGENDA ITEM SUBMITTAL FORM

1) **JUSTIFICATION FOR REQUEST:** A resolution of the Lafayette City Council granting authority to take preliminary action relative to the issuance, sale and delivery of not exceeding Fifty Million Dollars of Utilities Revenue Bonds of the City of Lafayette, State of Louisiana, in one or more series; providing certain terms of said bonds; making application to the State Bond Commission for approval of said bonds; hiring professionals in connection therewith; and providing for other matters in connection therewith

2) **ACTION REQUESTED:** Adoption of preliminary resolution

3) **COUNCIL DISTRICT(S) (CIP PROGRAM/PROJECTS ONLY):** N/A

4) **REQUESTED ACTION OF COUNCIL:**

A) INTRODUCTION: September 20, 2022

B) FINAL ADOPTION: September 20, 2022

5) **DOCUMENTATION INCLUDED WITH THIS REQUEST:**

A) Resolution (5 pages)

B) Exhibit A – Engagement Letter (3 pages)

C) Resolution Certificate (1 page)

6) **FISCAL IMPACT:**

 X Fiscal Impact (Explain)

 No Fiscal Impact

RECOMMENDED BY:

/s/Lorrie R. Toups
LORRIE R. TOUPS
CHIEF FINANCIAL OFFICER

