

**EXCERPTS FROM THE MINUTES OF A REGULAR MEETING OF THE CITY  
COUNCIL OF THE CITY OF BAY MINETTE, ALABAMA  
HELD ON SEPTEMBER 5, 2023**

The City Council of the City of Bay Minette, Alabama met at City Hall in the City of Bay Minette, Alabama on September 5, 2023 at 6:00 p.m., Central Time. The following members of the City Council of the City of Bay Minette, Alabama were:

PRESENT

Robert A. Wills, Mayor  
Pete Sellers, Councilmember  
Mike Phillips, Councilmember  
Matt Franklin, Councilmember  
Will Taylor, Councilmember

ABSENT

Shannon Clemmons, Councilmember

Mayor Robert A. Wills acted as Chairman of the meeting and Rita Diedtrich, City Clerk, acted as Clerk of the meeting. The chairman stated that due notice of the meeting having been posted in accordance with Alabama law and a quorum was present and declared the meeting open for the transaction of business.

\* \* \* \* \*

The Chairman then stated that it would be in order to consider the adoption of an ordinance relating to the City's taxable general obligation warrant for the purpose of funding a portion of the City's financial obligations under a project development agreement and for capital improvements for the City, all as described in such ordinance.

\* \* \* \* \*

Upon motion duly made and seconded, and upon a roll call, the City Council voted unanimously to suspend the rules in order to consider and vote on an ordinance to authorize such warrant. The following Ordinance was thereupon introduced by Mayor Wills:

## ORDINANCE NO. 1037

### AN ORDINANCE AUTHORIZING THE ISSUANCE OF A \$5,000,000 CITY OF BAY MINETTE, TAXABLE ALABAMA GENERAL OBLIGATION WARRANT, 2023

**BE IT ORDAINED** by the City Council of the City of Bay Minette, Alabama, as follows:

**Section 1. Findings.** Having made due and proper investigation of the matters hereinafter referred to, the Council has ascertained and does hereby find and declare that the following facts are true and correct:

- (a) The City has previously issued its Taxable General Obligation Warrant, 2022 (the “2022 Warrant”) to evidence borrowing the sum of up to \$5,000,000 for the purpose of funding of its financial obligations under a project development agreement with respect to a low-carbon aluminum recycling and rolling facility to be constructed for the use of Novelis Corporation to be located in Bay Minette, Alabama, for the benefit of citizens of the City (the “Economic Development Project”) and to provide for the financing of capital improvements with the City (the “Improvements”). The City no longer needs a credit facility to fund its obligation with regard to the Economic Development Project but wishes to maintain the line of credit to finance various Improvements. The 2022 Warrant matures on September 8, 2023 and the City finds it necessary to renew its line of credit of up to \$5,000,000.
- (b) It is necessary, advisable and in the interest of the public that the City maintain the line of credit from Regions Bank under which the City may borrow funds from time to time from Regions Bank, and to issue its \$5,000,000 Taxable General Obligation Warrant, Series 2023 (the “Warrant”) as evidence of its continuing obligation to such Bank.
- (c) The City entered into a Financing Agreement with Regions Bank (the “Financing Agreement”) to provide for certain terms and conditions with respect to the 2022 Warrant.

**Section 2. Authorization of Warrant.** In order to provide for the payment of costs of the Improvements and to pay the costs of the issuance for the Warrant, and pursuant to the authority contained in Section 11-47-2, Code of Alabama 1975, as amended, the Warrant is hereby authorized to be issued by the City. The Warrant shall be dated the date of its delivery and shall contain and be subject to the terms and conditions set forth in the form of Warrant presented herewith and made a part hereof. Such form of Warrant shall be attached as Exhibit A to the minutes of the meeting at which this Ordinance is adopted.

**Section 3. Source of Payment; Security.** The indebtedness evidenced and ordered paid by the Warrant is and shall be a general obligation of the City for payment of the principal of and the



interest on which the full faith and credit of the City are hereby irrevocably pledged. The City further agrees that, so long as the Warrant remains outstanding and any portion thereof remains unpaid, and to the full extent of the City's power to do so under the constitution and laws of the State of Alabama, the City will continue to collect and enforce municipal taxes to the extent necessary to pay the principal of and interest on the Warrant.

**Section 4. Creation of Warrant Fund.** There is hereby created a special trust fund of the City, the full name of which shall be "City of Bay Minette, Alabama Warrant Fund, 2023." Regions Bank shall be and remain the Depository for the Warrant Fund. The monies in the Warrant Fund shall be used to pay the principal of and interest on the Warrant as the same shall become due and payable. There shall be paid into the Warrant Fund, on or before the last business day preceding any date on which a payment of principal of or interest on the Warrant is due, an amount which, when added to the amount then on deposit therein, will equal the principal of (if any) and interest on the Warrant coming due on such payment date.

All monies on deposit in the Warrant Fund shall be used for payment of the principal of and interest coming due on the Warrant.

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. The Depository for the Warrant Fund shall at all times keep the monies on deposit with it in the Warrant Fund continuously secured for the benefit of the City and the Holder of the Warrant.

**Section 5. Financing Agreement.** The Financing Agreement shall remain in effect with respect to the Warrant and each reference therein to the 2022 Warrant shall be deemed to refer to the Warrant to the extent applicable.

**Section 6. Authorization.** The Mayor, the Finance Director and Clerk of the City are hereby authorized and directed to execute and deliver the Warrant to Regions Bank, together with such other instruments, directions, notices, consents or other documents as shall be necessary or desirable to consummate the transactions contemplated thereunder and hereunder.

**Section 7. Draws Against Proceeds.** The Mayor and the Finance Director are each hereby authorized to sign such requisition or other document as shall be necessary in order to draw proceeds of the Warrant as provided in the Financing Agreement, in such amounts as shall be necessary to (a) pay costs incurred with respect to the Improvements, (b) reimburse the City for funds drawn from its general funds after the date hereof to pay costs of the Improvements, and (c) pay costs of issuance of the Warrant and obtaining the line of credit herein described.

**Section 8. Contractual Provisions.** The provisions of this Ordinance shall constitute a contract between the City and the Holder of the Warrant. Upon payment in full of the principal of and interest on the Warrant the obligations of the City hereunder shall cease.

**Section 9. Severability.** The various provisions of this Ordinance are hereby declared to be severable. In the event any provisions hereof shall be held invalid by a court of competent jurisdiction, such invalidity shall not affect any other portion of this Ordinance.

**Section 10. Effective Date.** This Ordinance shall become effective immediately upon its adoption or otherwise as shall be required by State law.

After discussion, Councilmember Phillips moved that the foregoing ordinance be adopted and spread upon the minutes of this meeting, which motion was seconded by Councilmember Franklin, and, on roll call the following vote was registered:

YEAS

Robert A. Wills, Mayor  
Pete Sellers, Councilmember  
Mike Phillips Councilmember  
William Taylor, Councilmember

NAYS

The Chairman thereupon announced that the said ordinance had been carried by unanimous vote of the Council present.

\* \* \* \* \*

There being no further business to come before the meeting, the meeting was, upon motion duly made, seconded and unanimously carried, adjourned.



  
Robert A. Wills, Mayor

ATTEST:

  
Rita Diedtrich, City Clerk



UNITED STATES OF AMERICA  
STATE OF ALABAMA  
CITY OF BAY MINETTE, ALABAMA  
TAXABLE GENERAL OBLIGATION WARRANT, 2023

The CITY OF BAY MINETTE, ALABAMA, a municipal corporation under the laws of the State of Alabama (the "City"), for value received, hereby acknowledges that it is indebted in the principal sum of FIVE MILLION AND NO/100 DOLLARS (\$5,000,000.00), or such lesser amount as shall have been advanced to the City, as hereinafter set forth and then be outstanding, and hereby directs its Finance Director to pay (but solely out of the Warrant Fund referred to below) such principal sum to REGIONS BANK, or registered assigns (the "Bank"), on September 8, 2024 (the "Maturity Date"), and to pay on each Payment Date, commencing on October 2, 2023, interest on such principal sums drawn hereunder from the date of such draws until repaid as provided herein, at the Applicable Rate, as hereinafter defined, calculated on the basis of actual days elapsed and a 360-day year. All amounts so advanced hereunder and all payments made on account of the principal hereof shall be recorded in the books of the Bank, which records shall be final and binding, but failure to do so shall not release the City from any of its obligations hereunder.

The Applicable Rate shall be a rate per annum equal to the BSBY Rate (as hereinafter defined), plus 175 basis points (1.75%). As used herein the following terms shall have the meanings indicated:

"BSBY Rate" means, with respect to any Interest Period, that rate of interest per annum which equals the BSBY Screen Rate that is two (2) SIFMA Business Days preceding the first day of such Interest Period; provided that if the rate is not published on such determination date then BSBY Rate means the BSBY Screen Rate on the first SIFMA Business Day immediately prior thereto on which such rate is so published, subject to any corrections published by Bloomberg Index Services Limited (or any successor administrator). In any event, the BSBY Rate will not be less than zero percent (0%) per annum.

"BSBY Screen Rate" means the U.S. Dollar wholesale funding rate known as the Bloomberg Short-Term Bank Yield Index for a period comparable to the term of the Interest Period, administered by Bloomberg Index Services Limited (or any successor administrator) and published on the applicable Bloomberg screen page (or by such successor administrator or such other commercially available source providing such quotations as may be designated by the Bank in its sole discretion from time to time).

"Business Day" means any day other than a Saturday, a Sunday, a legal holiday or a day on which banking institutions in the City of Bay Minette, Alabama are authorized by law or executive order to close.

"Interest Period" means initially, the period commencing from delivery of this Warrant up to,

but not including, the first Payment Date, and thereafter, each period from a Payment Date up to, but not including, the next subsequent Payment Date.

“Payment Date” means (i) the first Business Day of each month, beginning the first Business Day of the month immediately succeeding the delivery of this Warrant, and continuing regularly and monthly thereafter until the Maturity Date, and (ii) the Maturity Date; provided, however, that if this Warrant is redeemed prior to the Maturity Date in accordance with the Financing Agreement and this Warrant, then the final Payment Date is the date of redemption.

“SIFMA Business Day” means any day that is not (i) a Saturday, (ii) a Sunday, or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income department of its members be closed for the entire day for purposes of trading in United States government securities.

Upon the occurrence of an Event of Default (as defined in the Financing Agreement), this Warrant shall bear interest at the Applicable Rate plus four percent (4.0%).

The principal and interest so payable, and punctually paid or duly provided for on any Payment Date will be paid to the person in whose name this Warrant is registered at the close of business on the last business day prior to such payment date.

Payment of interest on this Warrant due on each payment date shall be made by check or draft mailed by the City to the person entitled thereto at its address appearing in the Warrant Register maintained with respect to the Warrants. If the Payment Date falls on a day that is not a Business Day, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. Payment of the final installment of principal of and interest on this Warrant shall be made only upon surrender of this Warrant to the City. All such payments shall be made in such coin or currency of the United States of America as at the time of payment as legal tender for the payment of public and private debts.

The indebtedness evidenced and ordered paid by this Warrant is a general obligation of the City, for the payment of the principal of and interest on which the full faith and credit of the City have been irrevocably pledged.

Amounts advanced under this warrant may be prepaid from time to time by the City and subsequently readvanced by the holder, up to a maximum principal amount, at any one time outstanding, not exceeding the sum of \$5,000,000. It is understood that, by reason of prepayments hereon, there may be times when no indebtedness is owing hereunder and notwithstanding any such occurrence, this warrant shall remain valid and shall be in full force and effect as to each subsequent principal advance made hereunder. Each advance and each payment on this warrant shall be reflected by notations made by the holder hereon. The failure of the holder so to record any advance or payment shall not limit or otherwise affect the obligation of the City hereunder with respect to any



advance and no payment of principal by the City shall be affected by the failure of the holder so to record the same. Advances hereunder by the Bank are to be made upon written verbal or request by the City to the Bank specifying the amount of the advance requested.

Advances shall be paid, for requests duly made in writing by not later than 12:00 noon, Bay Minette, Alabama, time, on the business day immediately following the business day on which the request for the advance is received by the Bank.

This Warrant is nonnegotiable and is transferable only by a transfer duly executed by the person in whose name this Warrant is registered on the registry books of the Administrator of the City. The Bank, by receiving or accepting this Warrant, shall consent and agree and shall be estopped to deny that this Warrant may be transferred only in accordance with the provisions hereof. Without limiting the generality of the foregoing, each holder takes this Warrant subject to any prepayments and to the terms of that certain Financing Agreement, dated September 8, 2022, between the City and the Bank.

It is hereby certified and recited that the indebtedness evidenced and ordered paid by this Warrant is lawfully due without condition, abatement or offset of any description; that this Warrant has been registered in the manner provided in the Ordinance adopted by the City Council of the City on September 5, 2023; 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 the issuance of this Warrant exist, have been performed and have happened; and that the indebtedness evidenced and ordered paid by this Warrant, together with all other indebtedness incurred by 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.

IN WITNESS WHEREOF, the City has caused this Warrant to be executed on its behalf by its Mayor and Clerk and has caused the seal of the City to be impressed hereon, and has caused this Warrant to be dated September 5, 2023.

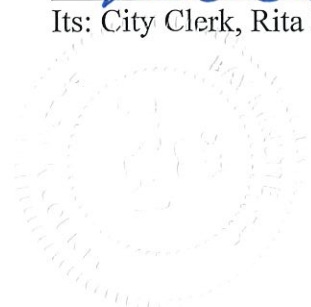
CITY OF BAY MINETTE, ALABAMA

(SEAL)

By:   
Its: Mayor, Robert A. Wills

Attest:

  
Its: City Clerk, Rita Diedtrich



## REGISTRATION AS CLAIM AGAINST WARRANT FUND

I hereby certify that this Warrant has been registered by me as a claim against the Warrant Fund referred to in this Warrant.

  
Finance Director, City of Bay Minette

Finance Director, City of Bay Minette, Alabama

**Amount Advanced by Bank**

Date \_\_\_\_\_

This image shows a single sheet of white paper with horizontal blue or grey ruling lines, typical of notebook paper. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.[illegible]



## CITY CLERK'S CERTIFICATE

I, Rita Diedtrich, City Clerk of the City of Bay Minette, Alabama, DO HEREBY CERTIFY that the foregoing pages of typewritten material constitute an Ordinance duly adopted at a regular meeting of the City Council of Bay Minette, Alabama, held on September 5, 2023, pertaining to the City's Taxable General Obligation Warrant, Series 2023, which meeting was called and assembled and was open to the public and at which a quorum was present and acting throughout, and that the original of said Ordinance and Order appears of record in the minute books of the City Council of Bay Minette, Alabama, which are in my custody and control.

Given under my hand and the seal of the City of Bay Minette, Alabama, this 5<sup>th</sup> day of September, 2023.

[SEAL]



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Rita Diedtrich, City Clerk of the  
City of Bay Minette, Alabama

FINANCE DIRECTOR'S CERTIFICATE REGARDING OUTSTANDING  
OBLIGATIONS OF THE CITY OF BAY MINETTE, ALABAMA


I, Tammy S. Smith, CPA, as Finance Director for the City of Bay Minette, Alabama (the "City"), being the person having charge of the records of the City pertaining to its indebtedness, hereby certify that, as of the date of this Certificate, the following constituted all of the outstanding indebtedness of the City (excluding indebtedness heretofore refunded or otherwise defeased):

<u>Issue</u>	<u>Principal Amount Outstanding</u>
General Obligation Economic Development Improvement Warrants, Series 2023A	\$5,185,000.00
General Obligation Warrants, Series 2023B	2,100,000.00
General Obligation Warrants, Series 2022	5,150,000.00
General Obligation Economic Development Improvement Warrants, Series 2018	4,045,000.00
General Obligation Warrant, 2019	204,931.40
General Obligation Warrants, Series 2013	170,000.00
General Obligation Warrants, Series 2008	710,000.00
Compensated Absences (as of September 30, 2022)	<u>177,477.58</u>
<b>TOTAL</b>	<b><u>\$17,742,408.98</u></b>

In addition to the long-term indebtedness shown above, the City has (i) a loan evidenced by a Promissory Note dated April 15, 2014 in favor of United Bank, currently outstanding in the principal amount of approximately \$9861.48 and maturing on April 15, 2024; (ii) a capital lease for the purchase of equipment, currently outstanding in the amount of \$31,400.28 and maturing in December, 2023; and (iii) a capital lease for purchase of equipment currently outstanding in the amount of \$184,633.99 and maturing in March, 2025; (iv) a capital lease for the purchase of equipment, currently outstanding in the amount of \$340,217.65 and maturing in December 2029; and a capital lease for purchase of equipment currently outstanding in the amount of \$49,621.00 and maturing in March 2025.

I further certify that the total assessed valuation of real, personal, auto and utility property located in the City and subject to taxation by it for the tax year of the City for which taxes became due and payable on October 1, 2022, as assessed for city taxation for the said tax year, was \$95,872,883.

Given this 8<sup>th</sup> day of September, 2023.

  
\_\_\_\_\_  
City Administrator/Finance Director  
of the City of Bay Minette