
The Mayor and Board of Aldermen of the City of Rayne, Louisiana, met in regular session at their regular meeting place the City Hall, Rayne, Louisiana, on Monday, January 8, 2018 at 6:00 (six) o’clock p.m.

There were present: Mayor Charles “Chuck” Robichaux, Lendell J. “Pete” Babineaux, Curtrese L. Minix, Kenneth J. Guidry, Calise Michael Doucet and James A. “Jimmy” Fontenot.

There were absent: None.

The Mayor and the Board of Aldermen of the City of Rayne, State of Louisiana, were duly convened as the governing authority of said City, by Mayor Charles “Chuck” Robichaux, who stated that the Board was ready for the transaction of business.

There was a motion by Calise Michael Doucet to dispense with the reading of minutes of the December 11, 2017 regular council meeting and approved them as written and distributed. This was seconded by Lendell J. “Pete” Babineaux and motion carried.

NAYS:  0  ABSTAIN:  0  ABSENT:  0


NAYS: 0  ABSTAIN: 0  ABSENT: 0

1. Proposed Ordinance # 2003, An Ordinance is “Utilities Revenues Bonds General Bond Ordinance, a General Bond Ordinance authorizing the issuance from the time of utilities revenue bonds of the City of Rayne State of Louisiana; Prescribing the form, and Certain terms and conditions of said bonds; establishing funds and accounts relating to said bonds; providing for the payment thereof in the principal and interest including a rate covenant relating thereto; and providing for other matters in connection therewith.”

2. Proposed Ordinance # 2004, An Ordinance is “First Supplemental Bond Ordinance, a Supplemental Bond Ordinance authorizing the issuance in one or more series of not exceeding One Million Eight Hundred Fifty Thousand Dollars ($1,850,000) of taxable Utilities Revenue Bonds, series 2018, of the City of Rayne, State of Louisiana, in accordance with the terms of the utilities revenue bonds general bond ordinance; prescribing the form and certain terms and conditions of said bonds; and providing for other matters in connection therewith.”

3. Proposed Ordinance # 2005, an ordinance amending (revision 1) the City of Rayne budget of revenues and expenditures for the fiscal year beginning October 1, 2016 and ending September 30, 2017.
After some discussion there was a motion by Curtrese L. Minix and a second by Lendell J. “Pete” Babineaux, to close the Public Hearing on the purpose of Ordinance # 2003, 2004, & 2005.


NAYS: 0 ABSTAIN: 0 ABSENT: 0

The following entitled Ordinance, having been previously introduced on December 11, 2017, notice of introduction having been published in the City’s official journal on December 28, 2017, and a public hearing held thereon on January 8, 2018, was offered for final adoption by James A. Fontenot and seconded by Kenneth J. Guidry:

ORDINANCE NO. 2003

UTILITIES REVENUE BONDS GENERAL BOND ORDINANCE

A GENERAL BOND ORDINANCE AUTHORIZING THE ISSUANCE FROM TIME TO TIME OF UTILITIES REVENUE BONDS OF THE CITY OF RAYNE, STATE OF LOUISIANA; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; ESTABLISHING FUNDS AND ACCOUNTS RELATING TO SAID BONDS; PROVIDING FOR THE PAYMENT THEREOF IN PRINCIPAL AND INTEREST INCLUDING A RATE COVENANT RELATING THERETO; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Rayne, State of Louisiana (the "City"), now owns and operates a combined electric power and light system, waterworks system and sewer system (collectively, the "System") as a combined revenue-producing work of public improvement; and

WHEREAS, pursuant to Part VII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:821, et seq.), Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, et seq.), Section 2304 of Title 30 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2304), Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1430), Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (collectively, the "Act"), it is now the desire of the Mayor and Board of Aldermen of the City of Rayne, State of Louisiana, as governing authority of the City (the "Governing Authority"), to adopt this General Bond Ordinance in order to provide for the issuance from time to time, and in one or more series, of utilities revenue bonds of the City (the "Bonds"), for the purpose of constructing and acquiring additions, improvements and extensions to the System or portions thereof, including the payment of the cost of all necessary land, equipment and furnishings, and all engineering, legal and other incidental costs and fees incurred in connection therewith;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Aldermen of the City of Rayne, State of Louisiana, acting as governing authority of the City of Rayne, State of Louisiana, that:
DEFINITIONS AND INTERPRETATION

Definitions. The following terms used in this General Bond Ordinance shall have the following meanings, unless the context clearly requires otherwise:

"Act" means any one or more of the following statutory authorities for the issuance of revenue bonds by the City:

(i) Part VII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:821, et seq.);
(ii) Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, et seq.);
(iii) Section 2304, Title 30 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2304);
(iv) Section 1430, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1430);
(v) the Refunding Act; and/or
(vi) any other statutory authority for the issuance of utilities revenue bonds by political subdivisions,

together with any other constitutional and statutory authority supplemental thereto.

"Bonds" means any future issue of bonds authorized by this General Bond Ordinance and by a Supplemental Ordinance.

"Bond Register" means the records kept by the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

"Bond Year" means the one-year period ending on the Principal Payment Date for any series of the Bonds.

"Business Day" means any day on which the Federal Reserve System is in operation, the New York Stock Exchange is not closed and banks in the City of Rayne and in the City of New Orleans are open for business.

"Capital Appreciation Bonds" means Bonds which pay interest only at maturity or redemption.

"City" means the City of Rayne, State of Louisiana.

"Code" means the Internal Revenue Code of 1986, as the same may be amended and supplemented from time to time, including any regulations promulgated thereunder or any administrative or judicial interpretations thereof.
"Contingencies Fund" shall have the meaning given such term in Section 5.01(d) hereof.

"Costs of the Project" means, with reference to any Project, all capital costs incurred or to be incurred for such Project, including but not limited to (a) engineering relating to the Project, (b) financing, legal and other fees and expenses related to the issuance of any series of the Bonds, (b) acquisition and construction costs of the Project, (c) interest on any series of Bonds during construction of a Project funded by such series of Bonds, and (d) a reasonable allowance for contingencies, all to the extent permitted by the Act and any rules or regulations promulgated thereunder.

"Credit Enhancement" shall mean any letter of credit, insurance policy, surety bond, standby bond purchase agreement or similar facility as used in connection with a series of the Bonds.

"Debt Service Fund" shall have the meaning given such term in Section 5.01(b) hereof.

"Defeasance Obligations" means cash and/or Government Securities.

"Delivery Date" means the date on which any series of the Bonds are delivered to the purchaser thereof.

"Department" means (i) with respect to the Clean Water State Revolving Fund, the Louisiana Department of Environmental Quality and (ii) with respect to the Drinking Water Revolving Loan Fund, the Louisiana Department of Health, and any successor to the duties and functions thereof.

"Executive Officers" means, collectively, the Mayor of the City and the City Clerk.

"Fiscal Year" means the one-year accounting period beginning on October 1 of each year, or such other fiscal year period as may be determined from time to time by the Governing Authority as the fiscal year of the City.

"Fixed Rate Bonds" means any series of Bonds issued with a fixed rate or rates or interest for the entire term thereof.

"General Bond Ordinance" means this General Bond Ordinance authorizing the issuance of the Bonds, as hereafter amended or supplemented by Supplemental Ordinances or in accordance with Article 0 hereof.

"Governing Authority" means the Mayor and Board of Aldermen of the City of Rayne, State of Louisiana, or its successor in function.

"Government Securities" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which are non-callable prior to their maturity, may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form.
"Interest Payment Date" means each date on which interest on any series of the Bonds is payable, as shall be set forth in the applicable Supplemental Ordinance, which dates shall occur semi-annually unless otherwise required by the purchaser of any series of the Bonds.

"Net Revenues" means, for the period in question, the Revenues of the System, determined in accordance with then generally accepted accounting principles, after the payment of all reasonable and necessary expenses of administering, operating and maintaining the System as are not provided for from other lawfully available sources, except that there shall be excluded from the calculation of Net Revenues the following:

(a) Gains on the sale or other disposition of investments or fixed or capital assets, which do not result from the ordinary course of business;

(b) Investment income that is restricted to a purpose inconsistent with the payment of operating expenses or debt service, including (whether or not so restricted) interest earned on any construction fund or construction account created with the proceeds of borrowing by the City;

(c) Any amounts received by way of government grants; and

(d) Any capital outlay moneys received from the State;

Furthermore, there shall be added back to Revenues of the System for purposes of calculating Net Revenues hereunder the following:

(a) Losses on the sale or other disposition of investments or capital assets which do not result from the ordinary course of business;

(b) Depreciation and amortization allowances, and other non-cash items required to be recognized as expenses pursuant to applicable statements and guidance of the Governmental Accounting Standards Board;

(c) Amounts paid as principal, interest or redemption premium on any of the Bonds; and

(d) Interest earnings on any of the funds described in Section 0 of this General Bond Ordinance.

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

"Paying Agent" means the person or organization designated as such in a Supplemental Ordinance.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.
"Principal Payment Date" means each date on which principal on any series of the Bonds is payable, as shall be set forth in the applicable Supplemental Ordinance, which dates shall occur annually unless otherwise required by the purchaser of any series of the Bonds.

"Project" means the acquisitions, extensions and improvements to any component of the System being financed by the sale of a series of the Bonds.

"Refunding Act" means Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

"Reserve Fund" shall have the meaning given such term in Section 5.01(c) hereof.

"Reserve Fund Requirement" for any series of the Bonds means the amount set forth as such in the applicable Supplemental Ordinance.

"Revenue Fund" shall have the meaning given such term in Section 5.01 hereof.

"Revenues of the System" means all income and revenues to be derived or to be derived by the City from the operation of the System, including User Fees or service fees and other income received from the operation of all portions of the System and earnings on investments in the funds and accounts described in Section 0 hereof, but not including any insurance or condemnation proceeds, or proceeds from the sale or other disposition of any part of the System, and including the following:

(a) revenues of any ad valorem or sales tax that may be dedicated in whole or in part to any portion of the System and actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds;

(b) revenues from any other source whatsoever that are actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds; and

(c) amounts received by the City as a "Build America Bond" or other similar federal reimbursement, subsidy or similar payment with respect to any series of the Bonds.

"State" means the State of Louisiana.

"Supplemental Ordinance" means an ordinance adopted by the Governing Authority in accordance with Section 0 hereof authorizing the issuance and sale of any series of the Bonds.

"System" means the combined electric power and light system, waterworks system and sewer system of the City, as said combined system now exists and as it may be hereafter improved, extended or supplemented from any source whatsoever while the Bonds herein authorized remain outstanding, including specifically all properties of every nature owned, leased or operated by the City and used or useful in the operation of the System, and including real
estate, personal and intangible properties, contracts, franchises, leases and choses in action, whether lying within or without the boundaries of the City.

"User Fees" means charges or fees levied on users of the System for the service or services provided by the System, for the cost of operation, maintenance and replacement of the System, for the repayment of debt incurred with respect to the System and for such other purposes as may be determined by the Governing Authority from time to time.

"Variable Rate Bonds" means any series of Bonds issued with a variable, adjustable, convertible or other similar rate or rates which are not fixed for the entire term thereof.

Rules of Interpretation. Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this General Bond Ordinance:

Words importing the singular number shall include the plural number and vice versa;

All references to particular articles or sections herein are references to articles or sections of this General Bond Ordinance;

The captions and headings herein are solely for convenience of reference and shall not constitute a part of this General Bond Ordinance, nor shall they affect its meaning, construction or effect;

The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms as used in this General Bond Ordinance refer to this General Bond Ordinance in its entirety and not the particular article or section of this General Bond Ordinance in which they appear; and

The term "hereafter" means after the date of execution of this General Bond Ordinance and the term "heretofore" means before the date of the execution of this General Bond Ordinance.

AUTHORIZATION, ISSUANCE AND SALE OF BONDS

Authorization and Issuance of Bonds. This General Bond Ordinance authorizes the issuance of indebtedness of the City to be designated "Utilities Revenue Bonds (or Utilities Revenue Refunding Bonds, as the case may be) of the City of Rayne, State of Louisiana," and provides for the full and final payment of the principal or prepayment price of and interest thereof. Bonds may be, but are not required to be, designated as "taxable" or "tax-exempt" as the case may be, and may carry any other descriptive title as this Governing Authority may determine and set forth in a Supplemental Ordinance.

All of the Bonds shall be issued under the authority of the Act. The Bonds shall be issued for the purpose of financing or refinancing the costs of constructing and acquiring additions, improvements and extensions to the System or any portion thereof, including the payment of the cost of all necessary land, equipment and furnishings therefor and all engineering legal and other incidental costs and fees incurred in connection therewith. Proceeds of the Bonds
may also be used to pay costs of issuance, costs of credit enhancement, capitalized interest and any required deposit to the Reserve Fund.

**Ordinance to Constitute Contract.** In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of this General Bond Ordinance shall be a part of the contract of the City with the Owners and shall be deemed to be and shall constitute a contract between the City and the Owners from time to time of the Bonds.

**Obligation of Bonds.** All of the Bonds, regardless of the date of issue, shall enjoy complete parity of lien on the Net Revenues despite the fact that any of the Bonds may be delivered at an earlier date than any other of the Bonds. Subject to the foregoing, the Net Revenues are irrevocably and irrepealably pledged in an amount sufficient for the payment of the Bonds, in principal and interest (and administrative fee, if applicable) as they shall respectively become due and payable, and for the other purposes hereinafter set forth. The Revenues of the System shall be set aside in the funds and accounts described in Section 0 and shall be and remain so pledged for the security and payment of the Bonds in principal and interest, and for all other payments provided in this General Bond Ordinance, until all of the Bonds shall be fully paid and discharged.

The lien of the Bonds on the Net Revenues is intended to be and shall be prior and superior to the lien on the Net Revenues of any other indebtedness of the City payable from "all available revenues," or "excess revenues."

The City covenants and agrees to take such action as may be necessary from time to time to preserve the priority of the pledge of the Net Revenues under applicable law.

**Supplemental Ordinances.** The details of each series of the Bonds shall be set forth in a Supplemental Ordinance to be adopted by the Governing Authority. Each Supplemental Ordinance shall provide the following with respect to the applicable series of the Bonds:

1. The purposes, dated date, series designation and principal amount, and whether such series is issued under the Act (and specifying which statutory reference thereof);
2. Whether such series will be Capital Appreciation Bonds, Fixed Rate Bonds or Variable Rate Bonds, and a description of the applicable interest rate or rates (or method of determining same) and the Interest Payment Dates;
3. The schedule of principal maturities or installments, or a formula for establishing same, and if such series will be Capital Appreciation Bonds a table of accreted values;
4. The manner of payment of principal and interest;
5. The optional and/or mandatory redemption or prepayment provisions;
6. The form or forms of bonds;
7. The designation of the initial Paying Agent;
8. The terms of sale to the purchaser thereof;
The Reserve Fund Requirement, if any, and the amount, if any, of proceeds to be deposited into the account in the Reserve Fund, the date on which deposits to the Contingencies Fund shall commence and any changes in amounts to be deposited to or maintained in the Contingencies Fund established in Section 0;

Whether any proceeds of such series of Bonds shall be used to refinance any other Bonds or other obligations of the City;

A finding by the Governing Authority that the provisions of Section 2.08 of this General Bond Ordinance will have been met with respect to such series of Bonds, if applicable;

A finding by this Governing Authority that the proceedings had in connection with the issuance of such series is regular and authorizing the legend described in Section 0 to be included in the bonds of such series;

Authorization of the Executive Officers and/or such other persons as may be so designated to execute documents in connection with such series;

The designation of such series as "qualified tax-exempt obligations" under Section 265(b)(3) of the Code, if applicable;

The designation of such series as "Build America Bonds" or other similar designations under federal or state laws or regulations as may be applicable;

Provisions for any continuing disclosure certificate or agreement as may be required by Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)];

Provisions for any post-issuance federal tax compliance procedures as may be necessary in connection with the issuance of the series;

Provisions with respect to any Credit Enhancement; and

Any other additional provisions as may be necessary in connection with the issuance and sale of such series.

**Paying Agent.** The City will at all times maintain a Paying Agent meeting the qualifications hereinafter described for the performance of the duties hereunder for the Bonds and as provided in Section 0 above will designate the Paying Agent for each series in the applicable Supplemental Ordinance.

The City reserves the right to appoint a successor Paying Agent by (a) filing with the person then performing such function a certified copy of appropriate proceedings appointing a successor and (b) causing notice to be given to each Owner. Every successor Paying Agent appointed hereunder shall at all times be a financial or administrative officer of the City or a bank or trust company organized and doing business under the laws of the United States of America or
of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by Federal or State authority.

Execution. The Bonds shall be executed in the name and on behalf of the City by the manual or facsimile signatures of the Executive Officers, and the corporate seal of the City (or a facsimile thereof) shall be affixed, imprinted, engraved or otherwise reproduced on the Bonds. If facsimile signatures are used, then such signatures shall have been registered with the Louisiana Secretary of State in the manner required by La. R.S. 39:244.

Regularity of Proceedings. The City, after having investigated the regularity of the proceedings had in connection with the issuance of the Bonds, and having determined the same to be regular in the applicable Supplemental Ordinance, shall cause each series of the Bonds shall contain the following recital, to-wit:

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

SECTION 1.02. Issuance of Bonds. Subsequent to the issuance and delivery of the initial series of Bonds issued hereunder, the City hereby covenants that it shall issue no other Bonds hereunder, unless the City meets the following conditions:

(a) If any of the Bonds are proposed to be refunded with reduced debt service in each Bond Year and no extension of the final maturity date, then the City may issue Bonds to effect such refunding, and such Bonds shall enjoy complete equality of lien with any portion of Bonds that are still outstanding; or

(b) Bonds may also be issued if all of the following conditions are met:

(i) The average Net Revenues for the two (2) completed Fiscal Years immediately preceding the issuance of such Bonds must have been not less than 1.20 times the highest combined principal and interest requirements (including any administrative fee) for any succeeding Fiscal Year period on all Bonds then Outstanding and the Bonds proposed to be issued. For the purpose of this calculation, principal maturities shall include mandatory redemption of term bonds and there shall be subtracted from term bond maturities the amount of such mandatory redemption so that the calculation shall be made assuming retirement of the term bonds according to the schedule of mandatory redemption. Furthermore, if any Bonds are or are proposed to be issued as Variable Rate Bonds, this calculation shall be made assuming interest accrues on said Variable Rate Bonds at the maximum or ceiling rate that such bonds may bear; and provided further that this limitation may be waived or modified by the written consent of the owners of all Bonds then outstanding. If a rate increase has been effected prior to the issuance of the Bonds or the Project to be funded with the proceeds of the proposed Bonds will result in additional customers of the System, and a recognized engineer or firm of engineers employed by the City certifies as to the amount of additional Net Revenue that would have
been realized by the City in the preceding two (2) Fiscal Years if such rate increase or additional customers had been in effect during such time, 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.

(ii) The payments required to be made into the various funds provided in Section 0 hereof must be current;

(iii) The existence of the facts required by paragraphs (i) and (ii) above must be determined and certified to by the Executive Officers, a recognized engineer or firm of engineers employed by the City, or by an independent firm of certified public accountants who have previously audited the books of the City, or such successors thereof as may have been employed for that purpose, or any combination of the foregoing; and

(iv) No Event of Default hereunder or under any Supplemental Ordinance (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon the issuance of such Bonds.

**PREPAYMENT OF BONDS**

Optional Prepayment of Bonds. The principal installments of the Bonds shall be subject to prepayment by the City in the manner set forth in the applicable Supplemental Ordinance, pursuant to Section 0 above.

**APPLICATION OF BOND PROCEEDS**

Application of Bond Proceeds. All of the proceeds derived from the sale of each series of the Bonds, except for any proceeds as may be designated in a Supplemental Ordinance to be used to refund bonds, for deposit into the Reserve Fund or as accrued interest into the Debt Service Fund or for the payment of the costs of any Credit Enhancement, shall be deposited by the City in a construction fund or account to be established for such series of the Bonds (the "Construction Fund"). Proceeds of any series of the Bonds in the Construction Fund (including investment earnings thereon) shall be used solely for the purpose of paying the applicable Costs of the Project and costs of issuance, and shall not be commingled with the proceeds of any other series of the Bonds.

Any accrued interest received upon the sale of the Bonds shall be deposited in the Debt Service Fund described in Section 0 hereof.

Investment of Construction Fund. Moneys in the Construction Fund may be temporarily invested in the manner provided by State law. Said moneys shall be sacred funds and the Owners shall have a lien thereon until said funds are paid out for the purposes for which the applicable series of the Bonds were issued. Any investment earnings on moneys in the Construction Fund
may be retained in the Construction Fund and applied for the purposes described in this Section, or may be transferred to the Debt Service Fund described in Section 0 hereof and applied to the payment of interest accruing on the Bonds during the period of construction of Project.

All moneys in the Construction Fund shall at all times be secured to the full extent required by Louisiana law.

**PAYMENT OF BONDS; FLOW OF FUNDS**

Funds and Accounts. All Revenues of the System shall be deposited daily as the same may be collected in the existing "Utility System Fund" (the "Revenue Fund"). Funds in the Revenue Fund shall be expended in the following order of priority and for the following express purposes:

The payment of all reasonable and necessary expenses of administering, operating and maintaining of the System as are not provided for from other lawfully available sources.

The establishment and maintenance of a "Utilities Revenue Bond Debt Service Fund" (the "Debt Service Fund") with the regularly designated fiscal agent of the City, sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds as they severally become due and payable, by transferring from funds in the Revenue Fund, after making the payments required by (a) above, to the Debt Service Fund monthly on or before the 20th day of each month of each year, a sum equal to 1/6th of the interest and Administrative Fee of the Department, if any, falling due on the Bonds on the next Interest Payment Date and a sum equal to 1/12th of the principal falling due on the Bonds on any Principal Payment Date that occurs within the next ensuing twelve months, together with such additional proportionate monthly sum as may be required to pay said principal, interest and Administrative Fee of the Department, if any, as the same become due. The City shall transfer from said Debt Service Fund to the paying agent(s) for all Bonds payable from the Debt Service Fund, or directly to the Owners, not less than three days prior to each Interest Payment Date and/or Principal Payment Date, funds fully sufficient to pay promptly the principal and interest of the Bonds falling due on such date (including any administrative fee with respect to Bonds purchased by the Department).

The establishment and maintenance of a "Utilities Revenue Bond Debt Service Reserve Fund" (the "Reserve Fund"), with the regularly designated fiscal agent of the City, the money in the accounts of Reserve Fund to be retained solely for the purpose of paying the principal of and interest on the respective series of the Bonds payable from the Debt Service Fund as to which there would otherwise be default. The Reserve Fund shall contain a separate account for each future series of the Bonds, each such account to be designated as the "Series _ (insert series designation) _ Account" and to be funded by transferring from the proceeds of such series, from other available revenues, or from the Revenue Fund (after making all required payments from said fund as hereinafter described), monthly
or annually, such amounts as may be set forth in the applicable Supplemental Ordinance.

The establishment and maintenance of the "Depreciation and Contingencies Fund" (the "Contingencies Fund"), with the regularly designated fiscal agent of the City, to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, by transferring from funds in the Revenue Fund after making the payments required by (a), (b) and (c) above to the Contingencies Fund monthly on or before the 20th day of each month of each year, a sum equal to five percent (5%) of the Net Revenues, or an amount equal to twenty-five percent (25%) of the amount scheduled that month for payment to the Sinking Fund, whichever is greater. Such payments into the Contingencies Fund shall commence on the date set forth in the applicable Supplemental Ordinance and shall continue until such time as there has been accumulated in the Contingencies Fund the sum of Fifty Thousand Dollars ($50,000), whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of Fifty Thousand Dollars ($50,000), in which event such payments shall be resumed and continue until said maximum amount is again accumulated. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, the money in the Contingencies Fund may also be used to pay the principal of and the interest and administrative fee, if any, on the Bonds for the payment of which there is not sufficient money in the Debt Service Fund and Reserve Fund described in paragraphs (b) and (c) above, but the money in said Contingencies Fund shall never be used for the making of improvements and extensions to the System or for payment of principal or interest and administrative fee, if any, on Bonds if the use of said money will leave in said Contingencies Fund for the making of emergency repairs or replacements less than the sum of Ten Thousand Dollars ($10,000).

Any money remaining in the Revenue Fund after making the above-required payments may be used by the City for the purpose of calling and/or purchasing and paying any bonds payable from the Net Revenues, or for such other lawful corporate purposes as the Governing Authority may determine.

Pro-Rata Payment of Funds in Debt Service Fund. In the event that there are insufficient moneys in the Debt Service Fund on any Interest Payment Date or Principal Payment Date to pay the principal, interest and/or administrative fee, if any, falling due on such date, the moneys that are available for such purposes in the Debt Service Fund shall be allocated on a pro-rata basis among all Outstanding series of Bonds based upon the amount of principal, interest and administrative fee, if any, due on each Series on such Interest Payment Date or Principal Payment Date, regardless of the amount of funds, if any, that are available for any particular series of the Bonds in any account of the Reserve Fund.

Reserve Fund Credit Enhancement Allowed. In lieu of or in addition to the required transfers or deposits to any account in the Reserve Fund, the City may cause to be deposited into such account in the Reserve Fund a policy of Credit Enhancement specific to such account in the Reserve Fund for the benefit of the holders of the Bonds secured by such account in the Reserve
Fund in accordance with the terms of the applicable Supplemental Ordinance. If a disbursement is made pursuant to a policy of Credit Enhancement deposited in any account in the Reserve Fund pursuant to this section, the City shall be obligated either (i) to reinstate the maximum limits of such policy of Credit Enhancement or (ii) to deposit into the applicable account in the Reserve Fund, funds in the amount of the disbursement made under such policy of Credit Enhancement, or a combination of such alternatives, as shall result in the amount in the applicable account in the Reserve Fund being equal to the Reserve Fund Requirement for that series of the Bonds.

Replenishment of Funds. If at any time it shall be necessary to use moneys or draw on any policy of Credit Enhancement deposited in any account of the Reserve Fund for the purpose of paying principal of or interest on Bonds payable from the Debt Service Fund as to which there would otherwise be default, then the moneys so used shall be replaced or the policy of Credit Enhancement shall be replenished on a pro-rata basis from the revenues first thereafter received and not hereinabove required to be used for the purposes described in Section 0 and (b) above. If at any time there are sufficient moneys on deposit in the Debt Service Fund, Reserve Fund and Contingencies Fund to retire all outstanding Bonds payable from the Debt Service Fund by defeasance, by exercising the prepayment option provided by such Bonds or by purchase on the open market, then the City may utilize such funds for such purpose.

Notification of Deficiencies. As required by La. R.S. 39:1410.62, the City will notify the State Bond Commission, in writing, whenever (i) transfers to any fund required to be established by this General Bond Ordinance or any ordinance or resolution authorizing the issuance of other indebtedness of the City have not been made timely or (ii) principal, interest, premiums, or other payments, including but not limited to administrative fees, due on the Bonds or any other outstanding indebtedness of the City have not been made timely.

Investment of Funds. All or any part of the moneys in the foregoing funds and accounts shall, at the written request of the City, be invested in accordance with the provisions of the laws of the State, except that moneys in any account in the Reserve Fund, if any, must be invested in Government Securities maturing in five (5) years or less from the date of investment. All income derived from such investments shall be added to the money in said respective funds or to the Revenue Fund and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purpose for which the respective funds are herein created.

For the purpose of determining if the required amount is being maintained in any of the funds, such investment securities shall be valued at least annually at the lesser of amortized cost (exclusive of accrued interest) or fair market value.

Deposit of Funds and Security Therefor. All of the income and revenues to be earned from the operation of the System shall be deposited daily as provided in Section 0 hereof in the Revenue Fund, which Fund shall be maintained separate and apart from all other funds of the City. The Debt Service Fund, the Reserve Fund and the Contingencies Fund shall be held by the depository banks as special trust funds for the purposes provided in this General Bond Ordinance, and all other funds shall be held by the designated banks as special deposits for the purposes set forth in this General Bond Ordinance, and subject to such reasonable instructions as the Governing Authority may give in writing to the banks holding such funds. The Owners are hereby granted a lien on all funds established pursuant to the requirements of this General Bond Ordinance until applied in the manner herein provided, provided that the Owners will only have a
lien or claim against the particular account in the Reserve Fund that pertains to the issue of the Bonds that such Owners own. The moneys on deposit in all of the funds herein required shall at all times be secured to the full extent required by Louisiana law.

**RATES AND CHARGES; RATE COVENANT; COVENANTS AS TO THE OPERATION OF THE SYSTEM**

**Operation of the System.** The City will maintain the System in good repair and operating condition.

**Utility Connections.** The Governing Authority shall take all action necessary to require every owner, tenant or occupant of each lot or parcel of land within the geographical boundaries of the City which abuts upon a street or other public way containing a drinking water distribution line or a wastewater collection line and upon which lots or parcels of a building shall have been constructed for residential, commercial or industrial use, to connect said building with the drinking water and/or wastewater portions of the System and to cease to use any other method for the furnishing of drinking water through the plumbing system of such building or the collection and disposal of wastewater from such building which can be handled by the drinking water and/or wastewater portions of the System. All such connections shall be made in accordance with the rules and regulations to be adopted from time to time by the Governing Authority, which rules and regulations may provide for an inspection charge to assure the proper making of such connection.

In addition to all other rights and remedies available to be used for the enforcement of utility charges and for the compelling of the making of water and sewer connections as aforesaid, the City covenants that it shall exercise and enforce promptly and efficiently all rights given it under the laws of the State for the enforcement and collection of such charges.

**Competitive Franchises.** So long as the Bonds are Outstanding, the Governing Authority, in its capacity as governing authority of the City, obligates itself not to grant a franchise to any utility for operation within the boundaries of the City which would render services or facilities in competition with the System, and also obligates itself to oppose the granting of any such franchise by any other public body having jurisdiction over such matters. Further, the City shall maintain its corporate identity and existence so long as any of the Bonds remain outstanding.

**Rate Covenant.** The City, through the Governing Authority, hereby covenants to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities of the System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in each year sufficient to pay the necessary expenses of administering, operating and maintaining the System in each year, the principal and interest maturing on the Bonds herein authorized in each year, all reserves or sinking funds or other payments required for such year by this General Bond Ordinance, and all other obligations or indebtedness payable out of the revenues of the System for such year. Such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate revenues for such purposes and at any rate, the Governing Authority shall fix, establish, maintain, levy and collect such rates, fees, rents or other charges for services and facilities system to always provide revenues in each fiscal year sufficient to pay:
The reasonable and necessary expenses of operating and maintaining the System in each Fiscal Year,

The principal and interest and administrative fee, if any, of the Department falling due during the Fiscal Year;

All other payments required for such Fiscal Year by this General Bond Ordinance and the applicable Supplemental Ordinance(s); and

All other obligations or indebtedness of the City payable out of the Net Revenues for such Fiscal Year,

and which in any event will provide Net Revenues, in an amount equal to at least one hundred twenty percent (120%) of the required deposits in such Fiscal Year to the Debt Service Fund. Such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate Revenues of the System for the foregoing purposes.

As provided by La. R.S. 39:1019, no board or commission other than the Governing Authority shall have authority to fix or supervise making of such fees and charges.

Enforcement of User Fees. Except as otherwise provided, nothing in this General Bond Ordinance or in the Bonds shall be construed to prevent the City from altering, amending or repealing from time to time as may be necessary any resolutions or ordinances setting up and establishing a schedule or schedules of rates and charges for the services and facilities to be rendered by the System, said alterations, amendments or repeals to be conditioned upon the continued preservation of the rights of the Owners with respect to the income and revenues of the System, not alone for the payment of the principal of and the interest on the Bonds, but to give assurance and insure that the income and revenues of the System shall be sufficient at all times to meet and fulfill the other provisions stated and specified in Section 0 of this General Bond Ordinance.

It is understood and agreed, however, that the City shall fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities to be rendered by the System, irrespective of the user thereof, that no free services or facilities shall be furnished to any person, association of persons or corporation, public or private, except the City itself, and that all service shall be metered, and that no discrimination shall be made as to rates and charges for the services and facilities of the System as between users of the same type or class, provided, however, that the City shall not be required to meter water used for firefighting purposes through its fire hydrants.

It is further understood and agreed that the schedule of rates, fees, rents, or other charges being charged as of the date of the adoption of this General Bond Ordinance for services and facilities rendered by the System shall remain in effect until changed in compliance with the provisions of Section 0 of this General Bond Ordinance. The City agrees that all charges owed by any individual, partnership or corporation for services rendered by the System shall be billed and collected as a unit; that failure of any individual, partnership or corporation to pay said combined charge within fifteen (15) days of the date on which it is billed shall cause such charge to become delinquent; that if such delinquent charge, with penalties accrued thereon, is not paid
within ten (10) days from the date on which it became delinquent, the City will shut off water service to the affected premises; and that the City, the Governing Authority and its officials, agents and employees will do all things necessary and will take advantage of all remedies afforded by law to collect and enforce the prompt payment of all charges made for utilities services rendered by the System.

All delinquent charges for such services shall on the date of delinquency have added thereto delinquent charges, penalties and interest at such rate(s) as may be fixed from time to time by this Governing Authority. If service shall be discontinued as above provided, the customer shall in addition to paying the delinquent charges, penalties and interest, pay as a condition precedent to the resumption of service, a reasonable re-connection charge for each service resumed.

It is further understood and agreed that the schedule of rates, fees, rents and other charges being charged as of the date of the adoption of this General Bond Ordinance for services and facilities rendered by the System shall remain in effect and neither said existing schedule nor any subsequent schedule shall be reduced at any time unless all payments required for all funds by this General Bond Ordinance, including any deficiencies for prior payments, have been fully made, and unless such schedule as so reduced will in each year thereafter produce sufficient revenues to meet and fulfill the other provisions stated and specified in this General Bond Ordinance.

Annual Review of User Fees. At least annually the Governing Authority shall review the adequacy of its User Fees to satisfy the requirements of Section 0 for the next succeeding Fiscal Year.

Right to Pledge Revenues; Rank of Lien. In providing for the issuance of the Bonds, the City does hereby covenant and warrant that it has a legal right to pledge the Net Revenues as herein provided, that the Bonds will have a lien and privilege on said Net Revenues subject only to the prior payment from such Net Revenues or from other lawfully available sources of all reasonable and necessary costs and expenses of operating and maintaining the System.

Records and Accounts; Audit Reports. The City will establish and maintain (or cause the City to establish and maintain) adequate financial records as required by the laws of the State governing financial record-keeping by political subdivisions and in accordance with generally accepted accounting principles ("GAAP") and will make these and the following records and reports available to the Owners or their authorized representatives upon request.

The City will cause an audit of its financial statements to be made by an independent firm of certified public accountants in accordance with the requirements of Chapter 8 of Title 24 of the Louisiana Revised Statutes of 1950, as amended, and if either Department owns any of the Bonds, in accordance with the requirements of Circular A-133 of the U.S. Office of Management and Budget, and Section 66.458 or 66.468, as the case may be, of the Catalog of Federal Domestic Assistance, if applicable. Upon completion, but in no event later than period of time after the close of the applicable Fiscal Year required by State law, the City shall file a copy of such audited financial statements with any Owner requesting same and to the provider(s) of any Credit Enhancement.
The expenses incurred in the preparation of the audit report required by this Section may be regarded and paid as a maintenance and operation expense of the System. The City further agrees that if the Department owns any of the Bonds, the Department shall have the right to ask for and discuss with the accountant making the review and the contents of the review and such additional information as it may reasonably require. The City further agrees that if the Department owns any of the Bonds, the City will furnish to the Department, upon request therefor, a monthly statement itemized to show the income and expenses of the operation of the System and the number of users for the preceding month.

Rights of Bondholders; Appointment of Receiver in Event of Default. The Owners from time to time shall be entitled to exercise all rights and powers for which provision is made in the laws of the State of Louisiana, including, without limitation, La. R.S. 39:1014(C). Any Owners or any trustee acting for such Owners in the manner hereinafter provided, may, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in the General Bond Ordinance, and may enforce and compel the performance of all duties required by the Ordinance, or by any applicable statutes to be performed by the City or by any agency, board or officer thereof, including the fixing, charging and collecting of rentals, fees or other charges for the use of the System, and in general to take any action necessary to most effectively protect the rights of the Owners.

The provider of any Credit Enhancement with respect to a series of the Bonds shall be deemed to be the sole Owner of any Bonds of such series for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of such Bonds are entitled to take pursuant to this General Bond Ordinance or the applicable Supplemental Ordinance including, without limitation, those pertaining to (i) defaults and remedies under Article 0 and (ii) the duties and obligations of a Paying Agent.

Limitations on Sale, Lease or Other Disposition of Property. So long as any of the Bonds are outstanding and unpaid in principal or interest, the City shall be bound and obligated not to sell, lease, encumber or in any manner dispose of the System or any substantial part thereof; provided, however, that this covenant shall not be construed to prevent the disposal by the City of property which in its judgment has become worn out, unserviceable, unsuitable or unnecessary in the operation of the System, when other property of equal value or function is substituted therefor or the sale price thereof is deposited in the aforesaid Contingencies Fund.

Prohibition Against Encumbrances. Except as provided in Section 0 of this General Bond Ordinance, the City will maintain title to or the possession of the System and equipment acquired and properties improved by the System, including any necessary servitudes and rights-of-way acquired in connection with the System or any Project. Title to any immovable equipment and any real property purchased by the City in connection with the System will remain free and clear of all liens and encumbrances. Furthermore, all movable property necessary for the operation of the System will remain free of all liens except liens necessary to secure the purchase of said movable equipment.

Insurance; Fidelity Bonds. So long as the Bonds are outstanding the City will maintain or cause to be maintained in force insurance policies and fidelity bonds as shall be required by prudent business practices relating to the operation of municipal sewerage systems.
FEDERAL TAX MATTERS; CONTINUING DISCLOSURE

General Tax Covenants. In the event that any of the Bonds are issued as tax-exempt bonds for federal income tax purposes, or as Build America Bonds (or similar), the City covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Code in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code or the status of the Bonds as Build America Bonds (or similar).

The City further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the City to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds" or fail to be Build America Bonds (or similar), if applicable.

SUPPLEMENTAL BOND ORDINANCES

Supplemental Ordinances Effective Without Consent of Owners. For any one or more of the following purposes, in addition to the adoption of Supplemental Ordinances pursuant to Section 6 with respect to the issuance of additional series of the Bonds, and at any time from time to time, an ordinance supplemental hereto may be adopted, which, upon the filing with the Paying Agent and any rating agency which is then rating any of the Bonds, of a notice thereof at least fifteen (15) days prior to the adoption thereof, and thereafter with a certified copy thereof, but without any consent of the Owners, shall be fully effective in accordance with its terms:

To add to the covenants and agreements of the City in this General Bond Ordinance other covenants and agreements to be observed by the City which are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect;

To add to the limitations and restrictions in this General Bond Ordinance other limitations and restrictions to be observed by the City which are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect;

To surrender any right, power or privilege reserved to or conferred upon the City by the terms of this General Bond Ordinance, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the City contained in this General Bond Ordinance;

To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of this General Bond Ordinance; or
To insert such provisions clarifying matters or questions arising under this General Bond Ordinance as are necessary or desirable and are not contrary to or inconsistent with this General Bond Ordinance as theretofore in effect.

**Supplemental Ordinances Effective With Consent of Owners and Providers of Credit Enhancement.** Except as provided in Sections 0 and 0, any modification or amendment of this General Bond Ordinance or of the rights and obligations of the City, the Owners or the provider of any Credit Enhancement hereunder, in any particular, may be made by a supplemental ordinance, with the written consent of the Owners of a majority of the Outstanding principal amount of the Bonds at the time such consent is given and the provider of Credit Enhancement for any affected series of the Bonds. The City shall give a notice thereof to the Paying Agent, the provider of Credit Enhancement for any affected series of the Bonds and any rating agency which is then rating the Bonds, at least fifteen (15) days prior to the adoption thereof, and thereafter shall furnish to said persons a certified copy thereof. No such modification or amendment shall permit a change in the terms of prepayment or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the prepayment price thereof or in the rate of interest thereon without the consent of the Owner of such Bond and the provider of Credit Enhancement for any affected series of the Bonds, or shall reduce the percentages of Bonds the consent of the Owner of which is required to effect any such modification or amendment, or change the obligation of the City to levy and collect User Fees as provided herein, without the consent of the Owners of all of the Bonds then outstanding and the provider of Credit Enhancement for any affected series of the Bonds or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto.

**EVENTS OF DEFAULT; REMEDIES**

Events of Default. If one or more of the following events (in this General Bond Ordinance called "Events of Default") shall happen, that is to say:

- default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity or otherwise; or

- default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or

- default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this General Bond Ordinance, any Supplemental Ordinance or in the Bonds contained and such default shall continue for a period of thirty (30) days after written notice thereof to the City by the Owners of not less than 25% of the Outstanding principal amount of the affected series of the Bonds; or

- the City shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law.
Upon the happening and continuance of any Event of Default the Owners shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

Retention of Consulting Engineer in Case of Certain Defaults. THE PROVISIONS OF THIS SECTION SHALL APPLY ONLY DURING ANY PERIOD WHEN THE CITY MAY BE IN DEFAULT IN MAKING REQUIRED PAYMENTS INTO THE FUNDS REQUIRED BY 0 OR WHEN AN "EVENT OF DEFAULT" HAS OCCURRED UNDER 0.

The City covenants and agrees that in the event it should fail to derive sufficient income from the operation of the System to make the required monthly payments into the funds established by Section 0 or when an Event of Default has occurred hereunder, it will retain a professionally qualified engineer or engineering firm to provide continuous advice, consultancy and/or technical assistance with respect to the System until all defaults are cured (the "Consulting Engineer"). Such Consulting Engineer shall be retained under contract at such reasonable compensation as may be fixed by the Governing Authority, and the payment of such compensation shall be considered to be one of the costs of maintaining and operating the System. Any Consulting Engineer appointed under the provisions of this Section may be replaced at any time by another Consulting Engineer appointed or retained by the City, with the consent and approval of the Owners of a majority of the outstanding principal amount of the Bonds herein authorized.

The Consulting Engineer shall prepare within ninety (90) days after the close of each Fiscal Year a comprehensive operating report, which report shall contain therein or be accompanied by a certified copy of an audit of the preceding Fiscal Year prepared by the City's certified public accountants, and in addition thereto, shall report upon the operations of the System during the preceding Fiscal Year, the maintenance of the properties, the efficiency of the management of the System, the proper and adequate keeping of books of record and account, the adherence to budget and budgetary control provisions, the adherence to the provisions of this General Bond Ordinance and all other things having a bearing upon the efficient and profitable operation of the System, and shall include whatever criticism of any phase of the operation of the System the Consulting Engineer may deem proper, and such recommendations as to changes in operations and the making of repairs, renewals, replacements, extensions, betterments and improvements as the Consulting Engineer may deem proper. Copies of such report shall be placed on file with the Governing Authority and sent to the Owners, and shall be open to inspection by any Owners of any of the Bonds. It shall be the duty of the Consulting Engineer to pass on 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 Five Thousand Dollars ($5,000), whether in one or more than one order, and whether authorized by a budget or not, from funds on deposit in the Contingencies Fund, and the Consulting Engineer shall devise and prescribe a form or forms wherein shall be set forth his or its approval in certificate form, copies of which shall be filed with the chief financial officer of the City.

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

It shall be the duty of the Consulting Engineer to prescribe a system of budgetary control along with forms for exercising of such control which shall be utilized by the manager or superintendent of the System and his staff, and the manager or superintendent shall cause to be prepared monthly reports not later than the twentieth day of each month, for the preceding month's business and operation of the System, which reports shall be submitted to the Consulting Engineer, who shall prepare an analysis of each such report, which analysis shall be filed monthly as expeditiously as possible with the chief financial officer of the City, the manager or superintendent and with the original purchaser of the Bonds.

In the event the Governing Authority shall fail to select and retain a Consulting Engineer in accordance with the first paragraph of this Section within thirty (30) days after the occurrence of the conditions prescribed thereby, then upon the petition of the Owners of twenty-five percent (25%) of the aggregate principal amount of the Bonds then outstanding, the Governing Authority shall select and retain such Consulting Engineer as is named in the petition of said Owners.

MISCELLANEOUS

Defeasance. (a) If the City shall pay or cause to be paid to the Owners of all Bonds then outstanding, the principal and interest and prepayment premium, if any, to become due thereon, at the times and in the manner stipulated therein and in this General Bond Ordinance, then the covenants, agreements and other obligations of the City to the Owners of such Bonds shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the City all moneys, securities and funds held by them pursuant to this General Bond Ordinance which are not required for the payment or prepayment of Bonds not theretofore surrendered for such payment or prepayment.

(b) Bonds or interest installments for the payment of which money shall have been set aside and shall be held in trust (through deposit by the City of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section if they have been defeased using Defeasance Obligations pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto. In addition to the foregoing, in connection with any defeasance the City shall cause to be delivered (i) a report verifying the sufficiency of the escrow established to pay such Bonds in full on the maturity or redemption date (the "Verification") prepared by an independent firm nationally recognized as being capable to provide such verification, (ii) an Escrow Deposit Agreement, and (iii) an opinion of nationally
recognized bond counsel to the effect that the Bonds are no longer Outstanding under this General Bond Ordinance. Each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the City, the Paying Agent for the affected Bonds and any provider of Credit Enhancement for the affected Bonds. The provider of Credit Enhancement for any affected Bonds shall be provided with final drafts of the above referenced documentation not less than two (2) business days prior to the funding of the escrow.

Parties Interested Herein. Nothing in this General Bond Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, any Paying Agent, the Owners and the providers of any Credit Enhancement any right, remedy or claim under or by reason of this General Bond Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this General Bond Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent, the Owners and the providers of any Credit Enhancement.

No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest and administrative fee on any Bonds or for any claim based thereon or on this General Bond Ordinance against any member of the Governing Authority or officer of the City or any person executing such Bonds.

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

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

Publication of Ordinance. This General Bond Ordinance shall be published one (1) time in the official journal of the City after it is approved by the Mayor.

Effective Date. This General Bond Ordinance shall become effective immediately upon its adoption.
The foregoing ordinance having been submitted to a vote, the vote thereon was as follows:

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And the ordinance was declared adopted, on this, the 8th day of January, 2018.

/s/ Annette R. Cutrera
Council Clerk

/s/ Charles E. Robichaux
Mayor

Delivered to the Mayor on January 9, 2018, at 9:00 a.m.

APPROVED: X

VETOED:

Charles E. Robichaux
Mayor

Returned to the City Clerk on January 9, 2018, at 10:00 a.m.

/s/ Annette R. Cutrera
City Clerk

STATE OF LOUISIANA
PARISH OF ACADIA

I, the undersigned City Clerk of the City of Rayne, State of Louisiana (the "City") do hereby certify that the foregoing pages constitute a true and correct copy of General Bond Ordinance No. 2003, adopted by said Mayor and Board of Aldermen (the "Governing Authority") on January 8, 2018, authorizing the issuance from time to time of Utilities Revenue Bonds of the City of Rayne, State of Louisiana; prescribing the form, and certain terms and conditions of said
bonds; establishing funds and accounts relating to said bonds; providing for the payment thereof in principal and interest including a rate covenant relating thereto; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this, the 8th day of January, 2018.

\[signature\]

City Clerk

The following entitled Ordinance, having been previously introduced on December 11, 2017, notice of introduction having been published in the City's official journal on December 28, 2017, and a public hearing held thereon on January 8, 2018, was offered for final adoption by Lendell J. Babineaux and seconded by Kenneth J. Guidry:

ORDINANCE NO. 2004
FIRST SUPPLEMENTAL BOND ORDINANCE

A SUPPLEMENTAL BOND ORDINANCE AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING ONE MILLION EIGHT HUNDRED FIFTY THOUSAND DOLLARS ($1,850,000) OF TAXABLE UTILITIES REVENUE BONDS, SERIES 2018, OF THE CITY OF RAYNE, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF THE UTILITES REVENUE BONDS GENERAL BOND ORDINANCE; PRESCRIBING THE FORM AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the City of Rayne, State of Louisiana (the "City"), now owns and operates a combined electric power and light system, waterworks system and sewer system (collectively, the "System") as a combined revenue-producing work of public improvement; and

WHEREAS, on this date, this Mayor and Board of Aldermen of the City (the "Governing Authority") adopted General Bond Ordinance No. 2003 entitled: "A General Bond Ordinance authorizing the issuance from time to time of Utilities Revenue Bonds of the City of Rayne, State of Louisiana; prescribing the form, and certain terms and conditions of said Bonds; establishing funds and accounts relating to said Bonds; providing for the payment thereof in principal and interest including a rate covenant relating thereto; and providing for other matters in connection therewith" (the "General Bond Ordinance"), which authorizes the issuance of utilities revenue bonds from time to time for the purposes described therein; and

WHEREAS, it is now the desire of this Governing Authority to authorize the issuance of not exceeding One Million Eight Hundred Fifty Thousand Dollars ($1,850,000) of Taxable
Utilities Revenue Bonds, Series 2018 of the City (the "Series 2018 Bonds"), in one or more series, for paying costs of the Project as defined herein and paying costs of issuance; and

WHEREAS, in accordance with the requirements of Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, et seq.), and a Notice of Intention issued on April 11, 2016, this governing authority held a public hearing on June 13, 2016, at which public hearing no one presented or had filed any petition or written objections pertaining to the issuance of the Series 2018 Bonds;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Board of Aldermen of the City of Rayne, State of Louisiana, acting as governing authority of the City of Rayne, State of Louisiana, that:

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

"Administrative Fee" means, with respect to the Series 2018 Bonds and any other Bonds purchased by the Department from the State Loan Fund, the annual fee equal to one-half of one percent (0.5%) per annum of the outstanding principal amount of such bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in two equal semi-annual installments on each Interest Payment Date.

"Completion Date" shall have the meaning given such term in the Loan Agreement.

"Delivery Date" means the date on which the City delivers the Series 2018 Bonds to the Department in exchange for the payment of the first installment of the purchase price thereof.

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

"First Supplemental Ordinance" means this First Supplemental Bond Ordinance authorizing the issuance of the Series 2018 Bonds pursuant to the General Bond Ordinance.

"General Bond Ordinance" means General Bond Ordinance No. 2003, as described in the preambles hereof.

"Loan Agreement" means the Loan and Pledge Agreement to be entered into by and between the Department and the City, prior to the delivery of the Series 2018 Bonds, which will contain certain additional agreements relating to the Series 2018 Bonds and any other series of Bonds purchased by the Department, which Loan Agreement shall be in substantially the form on file with the City Clerk and filed with the minutes of this meeting, as it may be supplemented, modified or amended from time to time in accordance with the terms thereof.
"Paying Agent" with respect to the Series 2018 Bonds means the City Clerk of the City, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the General Bond Ordinance.

"Project" means the construction and acquisition of improvements and extensions to the sewer portion of the System, consisting of the renovation of the Barbara Street Pumping Station and other capital additions and improvements permitted by the Department to be funded with proceeds of the Bonds, or any amendments or changes to the foregoing that may be approved by the Mayor of the City and the Department.

"Reserve Fund Requirement" for the Series 2018 Bonds shall have the meaning given such term in Section 2(i) of this First Supplemental Ordinance.

"Series 2018 Bonds" means the Taxable Utilities Revenue Bonds, Series 2018 authorized to be issued pursuant to this First Supplemental Ordinance and particularly by Section 2 hereof.

"State Loan Fund" means the Clean Water State Revolving Fund established by the State pursuant to Subtitle II, Chapter 14 of Title 30 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 30:2301, et seq.) in the custody of the Department, which is to be used for the purpose of providing financial assistance for the improvement of wastewater treatment facilities in the State, as more fully described in La. R.S. 30:2302.

Authorization of Series 2018 Bonds. (a) In compliance with and under the authority of the Act, there is hereby authorized the incurring of an indebtedness of not exceeding One Million Eight Hundred Fifty Thousand Dollars ($1,850,000) for, on behalf of and in the name of the City, for the purpose of paying costs of the Project and paying costs of issuance, and to represent the indebtedness, this Governing Authority does hereby authorize the issuance of not exceeding One Million Eight Hundred Fifty Thousand Dollars ($1,850,000) of Taxable Utilities Revenue Bonds, Series 2018, of the City. The Mayor may approve a different series designation if the Series 2018 Bonds are delivered after the end of 2018 or if it is in his sole judgment preferable to do so, and in such event, the term "Series 2018 Bonds" as used herein shall be automatically changed to match such series designation. The Series 2018 Bonds shall be dated the Delivery Date thereof, and the exact principal amount of the Series 2018 Bonds, not to exceed One Million Eight Hundred Fifty Thousand Dollars ($1,850,000) as stated above, shall be determined by the Mayor at the time of delivery of the Bonds.

The Series 2018 Bonds shall be Fixed Rate Bonds and the Interest Payment Dates shall be March 1 and September 1 of each year, commencing on the first such date to follow the Delivery Date. The Series 2018 Bonds shall bear interest at such rate or rates not exceeding forty-five hundredths of one percent (0.45%) per annum, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on each Interest Payment Date, or such lower rate as may be in effect for loans from the State Loan Fund or offered by the Department to the City at the Delivery Date. In addition to interest at the rate set forth above, at any time that the Department owns the Series 2018 Bonds, the City will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any Bonds or the Department has pledged or assigned any Bonds in connection with the State Loan Fund and (ii) the Administrative Fee payable by the City to the Department under the terms of the
Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

The Series 2018 Bonds shall mature in twenty (20) installments of principal, payable annually on each March 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest One Thousand Dollars ($1,000), of the outstanding principal amount of the Series 2018 Bonds on the day before the applicable Principal Payment Date:

<table>
<thead>
<tr>
<th>Date (March 1)</th>
<th>Percentage of Principal</th>
<th>Date (March 1)</th>
<th>Percentage of Principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>4.564%</td>
<td>2029</td>
<td>9.580%</td>
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<tr>
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<td>2030</td>
<td>10.696</td>
</tr>
<tr>
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<td>5.120</td>
<td>2031</td>
<td>12.090</td>
</tr>
<tr>
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<td>2032</td>
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<td>6.712</td>
<td>2035</td>
<td>24.647</td>
</tr>
<tr>
<td>2026</td>
<td>7.264</td>
<td>2036</td>
<td>33.019</td>
</tr>
<tr>
<td>2027</td>
<td>7.907</td>
<td>2037</td>
<td>49.764</td>
</tr>
<tr>
<td>2028</td>
<td>8.667</td>
<td>2038</td>
<td>100.000</td>
</tr>
</tbody>
</table>

In the event that the Completion Date of the Project is on or after March 1, 2019, the principal payment schedule set forth above may be adjusted so that each payment shall be due on March 1, that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Delivery Date. To exercise the option to defer the principal repayment schedule, the City must so notify the Department in writing prior to September 1, 2018, and certify that the Completion Date will not have occurred prior to March 1, 2019.

The principal, interest and Administrative Fee on the Series 2018 Bonds shall be payable by check mailed to the registered owner of the Series 2018 Bonds (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent for such purpose, provided that payment of the final installment of principal on the Series 2018 Bonds shall be made only upon presentation and surrender of the Series 2018 Bonds to the Paying Agent.

The principal installments of the Series 2018 Bonds are subject to prepayment at the option of the City at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date, and in such case the remaining principal of the Series 2018 Bonds, if any, shall continue to mature in installments calculated using the percentages shown in Section 2(c) above.

Official notice of such call of the Series 2018 Bonds for prepayment shall be given by means of first class mail, postage prepaid, by notice deposited in the United States Mail not less than twenty (20) days prior to the prepayment date addressed to the registered owner of
such Series 2018 Bonds to be prepaid at his address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner.

The Series 2018 Bonds shall be issued in the form of a single, fully registered bond, initially numbered R-1 and shall be in substantially the form attached hereto as Exhibit A.

The appointment of the City Clerk of the City as the initial Paying Agent for the Series 2018 Bonds is hereby confirmed.

The Series 2018 Bonds are awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution the Series 2018 Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the City of the agreed first advance of the purchase price of the Series 2018 Bonds. Pursuant to R.S. 39:1426(B), the City has determined to sell the Bonds at a private sale without necessity of publication of a notice of sale. It is understood that the purchase price of the Series 2018 Bonds will be paid by the Department to the City in installments, in the manner and under the terms and conditions set forth in the Loan Agreement.

The "Reserve Fund Requirement" for the Series 2018 Bonds shall mean one-half of the highest amount of principal, interest and Administrative Fee on the Series 2018 Bonds due in any future Bond Year (taking into consideration any principal forgiveness given by the Department), which shall be deposited by the City in an account in the Reserve Fund to be designated the "Series 2018 Account," and maintained in the Reserve Fund solely to secure the Series 2018 Bonds. The City shall make monthly deposits on or before the 20th day of each month into the Series 2018 Account in the Reserve Fund such that the amount on deposit in the Series 2018 Account of the Reserve Fund will equal the Reserve Fund Requirement not later that the fifth anniversary of the Delivery Date. No changes are made with respect to the required balance in the Contingencies Fund.

No proceeds of the Series 2018 Bonds will be used to refund any outstanding bonds or other obligations of the City.

The Series 2018 Bonds being the first Bonds authorized pursuant to the General Bond Ordinance, the provisions of Section 2.08 of the General Bond Ordinance are not applicable to the Series 2018 Bonds.

After having investigated the regularity of the proceedings had in connection with the issuance of the Series 2018 Bonds, this Governing Authority hereby determines that the same have been in all respects regular, therefore the Series 2018 Bonds shall contain the following recital, to-wit:

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

The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of the General Bond Ordinance and this First Supplemental Ordinance, to execute and deliver the Loan Agreement, and to cause the Series 2018 Bonds to be prepared and/or printed, to issue, execute and seal the
Series 2018 Bonds and to effect delivery thereof as hereinafter provided. In connection with the issuance and sale of the Series 2018 Bonds, the Executive Officers of the City are each authorized, empowered and directed to execute on behalf of the City such additional documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this First Supplemental Ordinance, including a Commitment Agreement. The signatures of said officers on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

The Series 2018 Bonds are not being designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code.

The Series 2018 Bonds are not being designated as "Build America Bonds" or any similar type of tax-advantaged bonds requiring a designation at this time.

It is recognized that the City will not be required to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)] because the Series 2018 Bonds are being purchased solely by the Department.

Inasmuch as the Series 2018 Bonds are not being issued as tax-exempt or tax-advantaged bonds, no post-issuance tax compliance procedures are needed.

There will be no Credit Enhancement arrangements with respect to the Series 2018 Bonds.

The Loan Agreement, in substantially the form on file with the City Clerk and filed with the minutes of this meeting, is hereby approved, and the Executive Officers are authorized to execute and deliver the aforesaid document on behalf of the City, with such changes as may be deemed necessary, upon the advice of counsel, in connection with the Series 2018 Bonds.

Davis-Bacon Wage Rate Requirements. The City agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the Project that is funded in whole or in part with proceeds of the Series 2018 Bonds shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the City as determined by the Secretary of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code, and as further described in Section 6.04 of the Loan Agreement.

Use of American Iron and Steel Products. In order to comply with Title IV, Division G of the Consolidated Appropriations Act, 2014 (P.L. 113-76) the City agrees that all of the iron and steel, products used in the portion of the Project that is funded in whole or in part with the Series 2018 Bonds shall be produced in the United States, subject to the conditions set forth in Section 6.05 of the Loan Agreement.

Parties Interested Herein. Nothing in this First Supplemental Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the City, the Paying Agent and the Owners of the Series 2018 Bonds any right, remedy or claim under or by reason of this First Supplemental Ordinance or any covenant, condition or
stipulation thereof; and all the covenants, stipulations, promises and agreements in this First Supplemental Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Paying Agent and the Owners of the Series 2018 Bonds.

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

Severability. In case any one or more of the provisions of this First Supplemental Ordinance or of the Series 2018 Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this First Supplemental Ordinance or of the Series 2018 Bonds, but this First Supplemental Ordinance and the Series 2018 Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this First Supplemental Ordinance which validates or makes legal any provision of this First Supplemental Ordinance or the Series 2018 Bonds which would not otherwise be valid or legal shall be deemed to apply to this First Supplemental Ordinance and to the Series 2018 Bonds.

Publication; Peremption. This First Supplemental Ordinance shall be published one time in the official journal of the City. It shall not be necessary to publish the exhibits to this First Supplemental Ordinance, but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal. For a period of thirty days after the date of such publication any persons in interest may contest the legality of this First Supplemental Ordinance and any provisions herein made for the security and payment of the Series 2018 Bonds. After such thirty day period no one shall have any cause or right of action to contest the regularity, formality, legality, or effectiveness of this First Supplemental Ordinance and the provisions hereof or of the Series 2018 Bonds authorized hereby for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the Series 2018 Bonds authorized pursuant to this First Supplemental Ordinance within the thirty days herein prescribed, the authority to issue the Series 2018 Bonds or to provide for the payment thereof, and the legality thereof, and all of the provisions of this First Supplemental Ordinance and such Series 2018 Bonds shall be conclusively presumed, and no court shall have authority or jurisdiction to inquire into any such matter.

Effective Date. This First Supplemental Ordinance shall become effective immediately upon its adoption.
The foregoing ordinance having been submitted to a vote, the vote thereon was as
follows:

<table>
<thead>
<tr>
<th>Member</th>
<th>Yea</th>
<th>Nay</th>
<th>Absent</th>
<th>Abstaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lendell J. &quot;Pete&quot; Babineaux</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Curtrese L. Munix</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kenneth J. Guidry</td>
<td>X</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Calise Michael Doucet</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>James A. &quot;Jimmy&quot; Fontenot</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

And the ordinance was declared adopted, on this, the 8th day of January, 2018.

/s/ Annette R. Cutrera
City Clerk

/s/ Charles E. Robichaux
Mayor

Delivered to the Mayor on
January 9, 2018, at 9:00 a.m.

APPROVED: X

VETOED:

Charles E. Robichaux
Mayor

Returned to the City Clerk on
January 9, 2018, at 10:00 a.m.

Annette R. Cutrera
City Clerk

EXHIBIT A
to First Supplemental Bond Ordinance

FORM OF BOND

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

UNITED STATES OF AMERICA
STATE OF LOUISIANA
CITY OF RAYNE

TAXABLE UTILITIES REVENUE BOND, SERIES 2018
OF THE
CITY OF RAYNE, STATE OF LOUISIANA
<table>
<thead>
<tr>
<th>Bond Number</th>
<th>Bond Date</th>
<th>Interest Rate</th>
<th>Principal Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1</td>
<td>(TBD) 20</td>
<td>0.45%</td>
<td>[$1,850,000]</td>
</tr>
</tbody>
</table>

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

**REGISTERED OWNER:**
Department of Environmental Quality  
Office of Management & Finance  
ATTN: Cash Management  
P. O. Box 4303  
Baton Rouge, LA 70821-4303

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

This Bond shall bear interest, payable semi-annually on March 1 and September 1 of each year, commencing [September 1, 2018] (each an "Interest Payment Date"), at the Interest Rate set forth above, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on this Bond on any Interest Payment Date shall be payable only on the aggregate outstanding amount of the purchase price which shall have been paid theretofore, as noted on Schedule A hereto, and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

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

This Bond shall mature in twenty (20) installments of principal, payable annually on each March 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest One Thousand Dollars ($1,000), of the outstanding principal amount of this Bond on the day before the applicable Principal Payment Date:
<table>
<thead>
<tr>
<th>Date (March 1)</th>
<th>Percentage of Principal</th>
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</tr>
<tr>
<td>2028</td>
<td>8.667</td>
<td>2038</td>
<td>100.000</td>
</tr>
</tbody>
</table>

In the event that the Completion Date of the Project being financed with this Bond is after March 1, 2019, the principal payment schedule set forth above may be adjusted so that each payment shall be due on the March 1, that is one year later than shown above, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Bond Date set forth above. To exercise the option to defer the principal repayment schedule, the City must so notify the Department in writing prior to September 1, 2018, and certify that the Completion Date will not have occurred prior to March 1, 2019.

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

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

In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered to the Paying Agent who shall note the amount of such prepayment in the space provided therefor on the schedule attached to this Bond. Official notice of such call of this Bond for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than twenty (20) days prior to the prepayment date addressed to the registered owner of this Bond to be prepaid at his address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner. The City shall cause to be kept at the office of the Paying Agent a register in which registration of this Bond and of transfer of this Bond shall be made as provided herein and in the General Bond Ordinance (hereinafter defined). This Bond may be transferred, registered and assigned only on such registration records of the Paying Agent, and such registration shall be at the expense of the City.

This Bond represents the entire issue of bonds of the City designated "Taxable Utilities Revenue Bond, Series 2018" aggregating in principal the sum of not exceeding One Million Eight Hundred Fifty Thousand Dollars ($1,850,000) (the "Bonds"), having been issued by the City pursuant to General Bond Ordinance No. 2003 (the "General Bond Ordinance") and First
Supplemental Bond Ordinance 2004, both adopted by its governing authority on January 8, 2018 (the "First Supplemental Ordinance" and together with the General Bond Ordinance, the "Ordinance") for the purpose of paying cost of construction and acquisition of improvements and extensions to the sewer portion of the System, consisting of the renovation of the Barbara Street Pumping Station and other capital additions and improvements, combined electric power and light system, waterworks system and sewer system (the "System"), and for paying the costs of issuance, under the authority conferred by Chapter XIII, Part 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 39:1011, et seq.), and other constitutional and statutory authority supplemental thereto, pursuant to all requirements therein specified.

This Bond is secured by and payable as to principal and interest solely from the income and revenues derived or to be derived from the operation of the System, after provision has been made for payment therefrom of the reasonable and necessary expenses of administering, operating and maintaining the 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.

The City has obligated itself pursuant to the Ordinance and by this Bond declares that all of the income and revenues to be derived from the operation of the System shall be deposited promptly as the same may be collected in a separate and special bank account known and designated as the "Utility System Fund." For a complete statement of the manner in which said fund shall be maintained and administered, the provisions for payment of this Bond and the general covenants and provisions pursuant governing the issuance of this Bond, reference is hereby made to the General Bond Ordinance. The City has duly covenanted and obligated itself pursuant to the General Bond Ordinance and by this Bond declares that it will fix and maintain rates and collect charges for all services and facilities to be rendered by the System sufficient to provide for the payment of the reasonable and necessary expenses of operating and maintaining the System, to provide for the payment of principal and interest falling due on this Bond and all other obligations or indebtedness payable out of the revenues of the System, to provide a reserve for the payment of principal and interest on this Bond and to provide a reasonable depreciation and contingency fund to care for depreciation, extensions, additions, improvements and replacements necessary to properly operate the System.

For a more complete statement of the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond is issued, and the conditions under which additional bonds may be issued on a parity with this Bond, reference is hereby made to the Ordinance.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State of Louisiana. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond necessary to constitute the same a legal, binding and valid obligation of the City have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the City, including this Bond, does not exceed any limitation prescribed by the Constitution and statutes of the State of Louisiana, and that this Bond shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof.
IN WITNESS WHEREOF, the Mayor and Board of Aldermen of the City of Rayne, State of Louisiana, acting as the governing authority of the City, has caused this Bond to be signed in the name of the City by the Mayor and attested by its City Clerk, the corporate seal of the City to be hereon impressed and this Bond to be dated as of the Dated Date set forth above.

CITY OF RAYNE, STATE OF LOUISIANA

ATTEST:

By: ____________________________
   Mayor

By: ____________________________
   City Clerk

(SEAL)

REGISTRATION RECORD

TAXABLE UTILITIES REVENUE BOND, SERIES 2018
OF THE
CITY OF RAYNE, STATE OF LOUISIANA

<table>
<thead>
<tr>
<th>Name and Address Of Registered Owner</th>
<th>Date of Registration</th>
<th>Signature of City Clerk, As Paying Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Environmental Quality Office of Management &amp; Finance ATTN: Cash Management P. O. Box 4303 Baton Rouge, LA 70821-4303</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepayment Date</td>
<td>Prepayment Amount</td>
<td>Remaining Balance Due</td>
</tr>
<tr>
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SCHEDULE A
SCHEDULE OF PRINCIPAL DRAWS AND PRINCIPAL BALANCE
TAXABLE UTILITIES REVENUE BOND, SERIES 2018
OF THE
CITY OF RAYNE, STATE OF LOUISIANA

Date: ____________________  Draw Number: ____________________
Principal Draw Paid to City this Date: $____________
Amount of Principal Forgiveness this Date: $___________
Cumulative Amount of Principal Draws Paid to Date: $__________
Cumulative Amount of Principal Forgiveness to Date: $__________
Outstanding Balance of Principal $___________
Signature of Authorized Officer of Department: ____________________

Date: ____________________  Draw Number: ____________________
Principal Draw Paid to City this Date: $____________
Amount of Principal Forgiveness this Date: $___________
Cumulative Amount of Principal Draws Paid to Date: $__________
Cumulative Amount of Principal Forgiveness to Date: $__________
Outstanding Balance of Principal $___________
Signature of Authorized Officer of Department: ____________________

Date: ____________________  Draw Number: ____________________
Principal Draw Paid to City this Date: $____________
Amount of Principal Forgiveness this Date: $___________
Cumulative Amount of Principal Draws Paid to Date: $__________
Cumulative Amount of Principal Forgiveness to Date: $__________
Outstanding Balance of Principal $___________
Signature of Authorized Officer of Department: ____________________

[ADDITIONAL DRAWDOWN PAGES TO BE ADDED AS NECESSARY]
STATE OF LOUISIANA
PARISH OF ACADIA

I, the undersigned City Clerk of the City of Rayne, State of Louisiana (the "City"), do hereby certify that
the foregoing pages constitute a true and correct copy of First Supplemental Bond Ordinance No. 2004 adopted
by said Mayor and Board of Aldermen (the "Governing Authority") on January 8, 2018, authorizing the issuance
in one or more series of not exceeding One Million Eight Hundred Fifty Thousand Dollars ($1,850,000) of
Taxable Utilities Revenue Bonds, Series 2018, of the City of Rayne, State of Louisiana (the "Bonds"), in
accordance with the terms of a General Bond Ordinance; prescribing the form and certain terms and conditions
of said Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this, the 8th day of January, 2018.

Annette B. Catherine
City Clerk

The following ordinance was offered by James A. “Jimmy” Fontenot, duly seconded by Calise Michael Doucet,
and duly resolved and adopted on 8th day of January 2018.

ORDINANCE NO. 2005

AN ORDINANCE AMENDING (REVISION 1) THE CITY OF RAYNE BUDGET OF REVENUES
AND EXPENDITURES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2016 AND ENDING
SEPTEMBER 30, 2017.

BE IT ORDAINED by the Mayor and Board of Alderman of the City of Rayne, State of Louisiana:

Section 1.
The attached detailed amended (revision 1) Schedule of Revenues for the fiscal year beginning October 1, 2016
and ending September 30, 2017 be and the same is hereby adopted to serve as an Operating Budget of Revenues
for the City of Rayne during the same period.

Section 2.
The attached amended (revision 1) Schedule of Expenditures by department for the fiscal year beginning
October 1, 2016 and ending September 30, 2017 be and the same is hereby adopted to serve as a Budget of
Expenditures for the City of Rayne during the same period.

Section 3.
The adoption of this amended (revision 1) Operating Budget of Expenditures be and the same is hereby declared
to operate as an appropriation of the amount therein set forth within the terms of the budget classification.

Section 4.
Amounts are available for expenditures only to the extent included within the terms of the 2016-2017 budget.

Section 5.
After being considered section by section and being put to a vote on the whole, the vote thereon was as follows:

NAYS: 0

ABSENT: 0

And the said ordinance was therefore declared adopted on this 8th day of January, 2018.

Charles E. Robichaux
CHARLES E. ROBICHAUX, MAYOR

Annette R. Cutrera
ANNETTE R. CUTRERA, CITY CLERK

The above ordinance was presented to the Mayor by the Clerk, approved by the Mayor and returned to the Clerk on this 8th day of January, 2018.

Charles E. Robichaux
CHARLES E. ROBICHAUX, MAYOR

Annette R. Cutrera
ANNETTE R. CUTRERA, CITY CLERK

The City Clerk, Mrs. Annette R. Cutrera, presented the City of Rayne Monthly Financial Update as of November 30, 2017 to the Council.

Joshua S. Guillory addressed the City Council in regards to 3rd District Congressional Seat.

On a motion by James A. "Jimmy" Fontenot and a second by Calise Michael Doucet, the City Council approved the reappointment of Anthony Emmons as a member of the Fire District #9 of Acadia Parish for another 2 years term effective January 2018.


NAYS: 0 ABSTAIN: 0 ABSENT: 0

On a motion by Kenneth J. Guidry and a second by Lendell J. "Pete" Babineaux, the City Council approved the Krewe de Joie de Vie Ball request to extend their event hours at the Civic Center on Saturday, January 20, 2018 past midnight.


NAYS: 0 ABSTAIN: 1 - James A. "Jimmy" Fontenot ABSENT: 0

On a motion by James A. "Jimmy" Fontenot and a second by Lendell J. "Pete" Babineaux, the City Council approved the Rayne Chamber of Commerce request for the City of Rayne Mardi Gras Parade and Celebration to be held on Saturday, February 10, 2018.


NAYS: 0 ABSTAIN: 0 ABSENT: 0

On a motion by James A. "Jimmy" Fontenot and a second by Curtrese L. Minix, the City Council approved the Krewe De Nu Beginnings to have a Mardi Gras Parade and Celebration to be held on Tuesday, February 13, 2018.

Sheilah Broussard, manager of Frog City Travel Plaza & Casino, addressed the City Council in regards to City owned rental buildings.

On a motion by Calise Michael Doucet and a second by James A. “Jimmy” Fontenot, the City Council approved entering the City of Rayne in the 2018 Cleanest City Contest.


NAYS: 0 ABSTAIN: 0 ABSENT: 0

On a motion by Lendell J. “Pete” Babineaux and a second by James A. “Jimmy” Fontenot, the City Council approved the nomination of Lee Seilhan to serve as Chairman of the Planning and Zoning Commission for a one year term beginning December 2017 and ending December 2018.


NAYS: 0 ABSTAIN: 0 ABSENT: 0

On a motion by James A. “Jimmy” Fontenot and a second by Kenneth J. Guidry, the City Council approved the variance request by Mr. Dan Schnaars to improve and utilize city property for parking for Luxe A’vie Salon at 211 Clegg Street.


NAYS: 0 ABSTAIN: 0 ABSENT: 0

On a motion by James A. “Jimmy” Fontenot and a second by Calise Michael Doucet, the City Council approved the amending of the agenda to consider a request by Mary Angelle to extend her Mardi Gras Biker Ball event hours on February 17, 2018 at the Civic Center to beyond midnight.


NAYS: 0 ABSTAIN: 0 ABSENT: 0

On a motion by James A. “Jimmy” Fontenot and a second by Curtrese L. Minix, the City Council approved a request by Mary Angelle to extend her Mardi Gras Biker Ball event hours on February 17, 2018 at the Civic Center to beyond midnight


NAYS: 0 ABSTAIN: 0 ABSENT: 0

The following resolution was offered by James A. “Jimmy” Fontenot, seconded by Curtrese L. Minix and duly resolved and adopted on 8th day of January, 2018.

**RESOLUTION**

A RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS AND AUTHORIZING THE ADVERTISEMENT FOR BIDS AND DESIGNATING THE TIME AND PLACE THAT THE BIDS WILL BE RECEIVED FOR THE FOLLOWING PROJECT:

**BARBARA STREET PUMP STATION IMPROVEMENTS & SANITARY SEWER FORCE MAIN EXTENSION**
BE IT RESOLVED by the Mayor and Board of Aldermen of the City of Rayne that the Plans and Specifications for the project, "BARBARA STREET PUMP STATION IMPROVEMENTS & SANITARY SEWER FORCE MAIN EXTENSION", prepared by Mader Engineering, are hereby approved and;

BE IT FURTHER RESOLVED that the Advertisement For Bids for said Project is hereby authorized and bids will be received at Rayne City Hall, located at 801 The Boulevard, Rayne, LA 70578 on a date that is in accordance with the requirements of the Louisiana Public Bid Laws, at which time the bids will be publicly opened and read aloud; and that said date, time, and location may be amended in accordance with the Public Bid Law.

THEREUPON, the above resolution was duly adopted.

This resolution having been submitted to a vote, the vote thereon was as follows:


NAYS: 0

ABSENT: 0

This resolution was declared adopted on this 8th day of January, 2018.

CHARLES E. ROBICHWAUX, MAYOR

ANNELTE R. CUTRERA, CITY CLERK

CERTIFICATE

I, ANNETTE R. CUTRERA, City Clerk of the City of Rayne, LA, do hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted by the City of Rayne, LA in regular session on January 8, 2018.

BY: ANNETTE R. CUTRERA, CITY CLERK

Mayor announced annual city wide Martin Luther King Program on Monday, January 15, 2018 held at the Rayne Civic Center at 11:00 AM.

There being no further business to come before the Council, there was a motion by James A. “Jimmy” Fontenot that the meeting be adjourned, this was seconded by Curtrese L. Minix carried.


NAYS: 0

ABSTAIN: 0

ABSENT: 0

CHARLES E. ROBICHWAUX, MAYOR

ANNELTE R. CUTRERA, CITY CLERK