

The Mayor and City Council of the City of Pascagoula, Mississippi (the "**Governing Body**"), acting for and on behalf of the City of Pascagoula, Mississippi (the "**City**") took up for consideration the matter of providing financing for certain capital improvements of the City, and after a discussion of the subject matter, Council member _____ offered and moved the adoption of the following resolution:

RESOLUTION DECLARING THE INTENTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PASCAGOULA, MISSISSIPPI, TO ISSUE GENERAL OBLIGATION BONDS OF THE CITY AND/OR, ISSUE A GENERAL OBLIGATION BOND OF THE CITY FOR SALE TO THE MISSISSIPPI DEVELOPMENT BANK AND/OR ENTER INTO A LOAN WITH THE MISSISSIPPI DEVELOPMENT BANK, ALL IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED TWELVE MILLION DOLLARS (\$12,000,000) TO RAISE MONEY FOR THE PURPOSE OF (I) CONSTRUCTING, MAINTAINING, RECONSTRUCTING, IMPROVING, AND REPAIRING ROADS AND STREETS AND ACQUIRING RIGHTS-OF-WAY THEREFORE IF NECESSARY; (II) ERECTING, REPAIRING, IMPROVING, EXTENDING OR MAINTAINING WATERWORKS OR WATER DISTRIBUTION SYSTEMS, AND REPAIRING, IMPROVING AND EXTENDING THE SAME; (III) ESTABLISHING ERECTING, REPAIRING, IMPROVING, EXTENDING OR MAINTAINING SANITARY, STORM, DRAINAGE OR SEWERAGE SYSTEMS; (IV) CONSTRUCTING, MAINTAINING, RECONSTRUCTING, IMPROVING, AND REPAIRING BRIDGES AND CULVERTS; AND (V) FOR OTHER AUTHORIZED PURPOSES UNDER MISSISSIPPI CODE OF 1972 SECTIONS 21-33-301 ET SEQ., AND SECTIONS 31-25-1 ET SEQ., AS AMENDED AND SUPPLEMENTED FROM TIME TO TIME, INCLUDING FUNDING CAPITALIZED INTEREST, IF APPLICABLE AND PAYING THE COSTS OF BORROWING; DIRECTING THE PUBLICATION OF A NOTICE OF SUCH INTENTION; AND FOR RELATED PURPOSES.

WHEREAS, the Governing Body, acting for and on behalf of the City, hereby finds, determines, adjudicates and declares as follows:

1. The City is authorized by Sections 21-33-301 et seq., Mississippi Code of 1972, as amended and/or supplemented from time to time (the "**City Bond Act**") to issue general obligation bonds for the purposes set forth therein, including, but not limited to, (i) constructing, maintaining, reconstructing, improving, and repairing roads and streets and acquiring rights-of-way therefore if necessary; (ii) erecting, repairing, improving, extending or maintaining waterworks or water distribution systems, and repairing, improving and extending the same; (iii) establishing erecting, repairing, improving, extending or maintaining sanitary, storm, drainage or sewerage systems; (iv) constructing, maintaining, reconstructing, improving, and repairing bridges and culverts; and (v) for other authorized purposes under the City Bond Act and Sections 31-25-1 et seq., Mississippi Code of 1972, as amended and supplemented from time to time (the

"Bank Act" and together with the City Bond Act, the **"Act"**), including funding capitalized interest, if applicable and paying the costs of borrowing (together, the **"Project"**).

2. The Governing Body, acting for and on behalf of the City, is also authorized under the City Bond Act and the Bank Act, and other applicable laws of the State of Mississippi (the **"State"**), to (a) issue a general obligation bond of the City to be sold to the Mississippi Development Bank (the **"Bank"**) to finance the costs of the Project, and/or (b) enter into a loan with the Bank to borrow money to finance the costs of the Project.

3. The Project is in accordance with and in furtherance of the provisions of the Act.

4. The Governing Body is authorized pursuant to the Act to provide financing for the costs of the Project (a) through the issuance of general obligation bonds of the City, in one or more series, in a total aggregate principal amount not to exceed Twelve Million Dollars (\$12,000,000) (the **"Bonds"**) pursuant to the City Bond Act and/or, (b) through the issuance of a general obligation bond of the City, in one or more series, to be sold to the Bank (the **"City Bond"**) in a total aggregate principal amount not to exceed Twelve Million Dollars (\$12,000,000), and/or (c) by entering into a loan with the Bank to borrow money from the Bank in a total principal amount not to exceed Twelve Million Dollars (\$12,000,000) (the **"Loan"**).

5. As of January 1, 2022, the assessed value of all taxable property within the City, according to the last completed assessment for taxation, is \$245,429,760, and the City has outstanding bonded indebtedness as subject to the fifteen percent (15%) debt limit prescribed by Section 21-33-303 of the City Bond Act, in the amount of \$17,959,297, and outstanding bonded and floating indebtedness as subject to the twenty percent (20%) debt limit prescribed by Section 21-33-303 of the City Bond Act (which amount includes the sum set forth above subject to the fifteen percent (15%) debt limit), in the amount of \$23,135,000.

6. The Bonds, the City Bond, and/or the Loan, when added to the outstanding bonded indebtedness of the City, including any indebtedness of the City issued subsequent to the adoption of this resolution but prior to the issuance of the Bonds or the City Bond or entering into the Loan, will not result in bonded indebtedness, exclusive of indebtedness not subject to the aforesaid fifteen percent (15%) debt limit, of more than fifteen percent (15%) of the assessed value of all taxable property within the City, and will not result in indebtedness, both bonded and floating, exclusive of indebtedness not subject to the aforesaid twenty percent (20%) debt limit, in excess of twenty percent (20%) of the assessed value of all taxable property within the City, and will not exceed any constitutional or statutory limitation upon indebtedness which may be incurred by the City.

7. There has been no increase in said bonded and floating general obligation indebtedness of the City since January 1, 2022.

8. It is necessary for the health and well-being of the citizens of the City, and it would be in the best interest of the City for the Governing Body to provide financing for the costs of the Project by borrowing money through the issuance of the Bonds and/or the City Bond and/or by entering into the Loan, all in accordance with the City Bond Act and/or the Bank Act.

9. The Governing Body is authorized and empowered by the City Bond Act and/or the Bank Act to issue the Bonds or the City Bond or enter into the Loan for the purposes as hereinafter set forth and there are no other available funds on hand or available from regular sources of income for such purposes.

10. The City reasonably expects that it will incur expenditures prior to the issuance of the Bonds or the City Bond or entering into the Loan which it intends to reimburse with the proceeds of the Bonds or the City Bond or Loan upon the issuance thereof. This declaration of official intent to reimburse expenditures made prior to the issuance of the Bonds or the City Bond or enter into the Loan in anticipation of the issuance of the Bonds or the City Bond or Loan is made pursuant to Department of Treasury Regulations Section 1.150-2 (the “**Reimbursement Regulations**”). The Project for which such expenditures are made is the same as described hereinabove. The maximum principal amount of debt expected to be issued for the Project is the amount hereinabove set forth.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY, ACTING FOR AND ON BEHALF OF THE CITY, AS FOLLOWS:

SECTION 1. The Governing Body, acting for and on behalf of the City, hereby declares its intention to (a) issue and sell the Bonds and/or the City Bond to the Bank, in one or more series, in the total principal amount not to exceed Twelve Million Dollars (\$12,000,000), and/or (b) enter into the Loan with the Bank to borrow money from the Bank, all in the total principal amount not to exceed Twelve Million Dollars (\$12,000,000).

SECTION 2. The Bonds or the City Bond are to be issued and the Loan entered into to raise money for the purpose of financing the Project in accordance with the Act.

SECTION 3. The Bonds or the City Bond may be issued in one or more series and, if issued, will be general obligations of the City payable as to principal and interest out of and secured by an irrevocable pledge of the avails of a direct and continuing tax to be levied annually without limitation as to time, rate, or amount upon all the taxable property within the geographical limits of the City and may further be secured by revenue from the City’s water and sewer system pursuant to Section 21-33-305 of the City Bond Act; provided, however, that such tax levy for any year shall be abated pro tanto to the extent the City on or prior to September 1 of that year has transferred money to the bond fund of the Bonds or the City Bond, or has made other provisions for funds, to be applied toward the payment of the principal of and interest on the Bonds or the City Bond due during the ensuing fiscal year of the City, in accordance with the provisions of the bond resolution adopted by the Governing Body in connection with the issuance of the Bonds or the City Bond. The Loan will be payable from available revenues of the City and will not constitute an indebtedness of the City within the meaning of any constitutional or statutory restrictions, limitations, or provisions, and the taxing power of the City will not be pledged to the payment of the Loan.

SECTION 4. The Governing Body proposes to direct the issuance of all or any portion of the Bonds or the City Bond or to authorize the Loan in the amount and for the purposes and secured as aforesaid at a meeting of the Governing Body to be held at its usual meeting in City Hall, located at 603 Watts Avenue, Pascagoula, Mississippi, at the hour of 6:00 o'clock p.m. on

May 3, 2022, or at some meeting or meetings subsequent thereto; provided, however, that if ten percent (10%) of the qualified electors of the City or fifteen hundred (1,500), whichever is less, shall file a written protest with the City Clerk of the City (the "**City Clerk**") in her office located in City Hall at 603 Watts Avenue, Pascagoula, Mississippi, against the issuance of the Bonds or the City Bond or the authorization of the Loan on or before 4:00 o'clock p.m. on May 3, 2022, then the Bonds or the City Bond shall not be issued or the Loan shall not be entered into unless approved at an election on the question thereof called and held as is provided by law; provided, further that if no protest is filed, then the Bonds or the City Bond may be issued and sold in one or more series or the City may enter into the Loan without an election on the question of the issuance thereof at any time within a period of two (2) years after May 3, 2022.

SECTION 5. This resolution shall be published once a week for at least three (3) consecutive weeks in *The Sun Herald*, a newspaper published in and having general circulation in the City and qualified under the provisions of Section 13-3-31, Mississippi Code of 1972, as amended and supplemented from time to time. The first publication of this resolution shall be made not less than twenty-one (21) days prior to the date fixed herein, and the last publication shall be made not more than seven (7) days prior to such date.

SECTION 6. The City Clerk of the Governing Body shall be and is hereby directed to procure from the publisher of the aforesaid newspaper the customary proof of the publication of this resolution and have the same before the Governing Body on the date and hour specified in Section 4 hereof.

SECTION 7. The City reasonably expects that it will incur expenditures prior to the issuance of the Bonds, the City Bond and/or the Loan which it intends to reimburse with the proceeds of the Bonds, the City Bond and/or the Loan upon the issuance thereof. This declaration of official intent to reimburse expenditures made prior to the issuance of the Bonds, the City Bond and/or the Loan in anticipation of the issuance of the Bonds, the City Bond and/or the Loan is made pursuant to the Reimbursement Regulations. The Project for which such expenditures are made is the same as described hereinabove. The maximum principal amount of debt expected to be issued for the Project is the amount hereinabove set forth.

SECTION 8. If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

Council member _____ seconded the motion to adopt the foregoing resolution and the same being put to a roll call vote, the result was as follows:

YEAS:

NAYS:

The motion having received the affirmative vote of a majority of the members present, the Mayor declared the motion carried and the resolution adopted this, the ____ day of April 2022.

Dr. Jay Willis, Mayor

ATTEST:

Karen Kennedy, City Clerk

(SEAL)

Publish as a legal notice for not less than three (3) consecutive weeks on April 8, 15, 22 and 29, 2022.