

OFFICIAL PROCEEDINGS
ST. MARY LEVEE DISTRICT
REGULAR MEETING

OCTOBER 11, 2018
FRANKLIN, LOUISIANA

The St. Mary Levee District (“SMLD”) met on this date with, President William Hidalgo, Sr., presiding and the following board members present: J.P. Hebert, Norris Crappell, James Vidos, Will Terry, Barry Broussard, Kenny Arceneaux, Luther Smith and with Alton Broussard absent.

Also present: Tim Matte, St. Mary Levee District Executive Director; Michael Brocato, Operations Manager of St. Mary Levee District; Bill Bourgeois; Jeff Pena & Nicole Cutforth, APTIM; Kevin O’Gorman, T. Baker Smith; Jules Darden, Miller Engineers; Darrell Pontiff, CPRA; and members of the public and media.

Mr. Broussard moved to dispense with the reading and to approve the September 13 regular meeting minutes. After a second by Mr. Vidos, the motion carried unanimously.

Mr. B. Broussard presented the payables report, which Mr. Crappell moved to approve. Following Mr. Hebert’s second, the motion carried unanimously.

Mr. Matte presented the Statement of Revenues by sources and Summary of Expenditures of the St. Mary Levee District.

Mr. Tim Matte reported the Bayou Choupique project continues to move forward and the ROW process is now completed. Mr. Matte reported that documents are being sent to CDBG to finalize and to be able to go out to bid for this project.

Mr. Jules Darden with Miller Engineers reported that the contractors are on site at the Yokely Levee project, due to weather the progress is slow moving.

Kevin O’Gorman with T. Baker Smith reported that they are waiting for the on the final balancing change order for the Siracusaville section of the Morgan City Levee Construction and Improvements Project. Mr. O’Gorman reported his office is addressing a balancing change order on the Lake End Park to Justa Street portion of the project. Mr. O’Gorman stated the contractors are working on the punch list items and should have substantial completion soon on the LA 70 portion of the project. Mr. O’Gorman reported his office has been meeting with the contractors regarding the Justa Street project.

Mr. Jeff Pena with APTIM reported his office has received all permits from the USACOE for the Bayou Chene Project. Mr. Pena stated that all mitigation has been purchased for the project and they are ready to proceed on final design.

Mr. Pena reported that the ROW coordination is still ongoing and the landowner is reviewing the ROW request on the Bayou Teche project. Mr. Pena stated his office held a meeting with the other landowners to discuss a disposal area and a meeting with CLECO to discuss the guy wire location issue and transmission line to the generator pad. Mr. Pena also reported 50% design was submitted Oct 1st and SMLD comments are being incorporated. Mr. Pena stated that the DOTD comments are pending.

Mr. Matte reported that construction on the North Bend Phase B project has begun. Mr. Matte stated SMLD has received the real estate information to begin negotiation for acquiring the real estate right of ways for the project.

Mr. Sam Jones thanked SMLD for working to ensure that the West End of the parish is protected.

On the Justa Street Project, Mr. Crappell moved to rescind approval of change order No. 1, to approve change order No. 2 (to remove and replace 180 feet of pipe) and to authorize Mr. Hidalgo to execute an amended contract with the contractor. After a second by Mr. Vidos, the motion passed unanimously.

Mr. Crappell moved to authorize Mr. Hidalgo to sign a CEA with Drainage District #2 (DD#2) relative to its reimbursement to SMLD for the repair work to be done in change order No.2. After a second by Mr. Vidos, the motion carried unanimously.

Mr. Hebert moved to fund openings for maintenance access on newly installed floodwalls with payment via a CEA with DD#2. After a second by Mr. Arceneaux, the motion carried unanimously.

Mr. Arceneaux moved to authorize Mr. Hidalgo to move forward on the issuance and sale up to \$ 16 million of Limited Tax Revenue Bonds to finance construction projects including Bayou Teche Flood Projection Project. After a second by Mr. Hebert, the motion carried unanimously.

The following resolution was offered for adoption by Mr. Arceneaux and seconded by Mr. Hebert:

RESOLUTION

A resolution providing for the issuance and sale of not exceeding Sixteen Million Dollars (\$16,000,000) of Limited Tax Revenue Bonds, Series 2018, of St. Mary Levee District (the Issuer); prescribing the form, fixing the details and providing for the rights of the owners thereof; providing for the payment of the principal of and interest on such Bonds and the application of the proceeds thereof; approving the form and directing the execution and delivery on behalf of the Issuer of the Bond Purchase Agreement which sets forth the terms and conditions under which said Bonds are being sold; approving the Official Statement for said Bonds; and providing for other matters in connection therewith.

WHEREAS, the St. Mary Levee District currently levies and collects an ad valorem tax of 5 mills within the Issuer as authorized at an election held on May 1, 2010 (such rate being subject to adjustment from time to time due to reassessment) (the "Tax"), and

WHEREAS, the Issuer has no outstanding indebtedness of any kind payable from a pledge or dedication of the avails or proceeds of the Tax; and

WHEREAS, the Issuer now desires to incur debt and issue its Limited Tax Revenue Bonds, Series 2018, in the principal amount of not exceeding Sixteen Million Dollars (\$16,000,000) (the "Bonds"), pursuant to Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, for the purpose of funding flood protection projects, including the acquisition of equipment therefor, and paying the costs of issuance of the Bonds; and

WHEREAS, the estimated income to be realized from the levy of the Tax in 2018 is approximately \$2,756,603, and the maximum amount of principal and interest due in any year on the Bonds shall not exceed seventy-five percent (75%) of said estimated income; and

WHEREAS, it is the intention of the Issuer that the Bonds authorized herein be secured by and payable from the pledge of the revenues of the Tax, as more specifically described herein; and

WHEREAS, on September 20, 2018, the State Bond Commission granted its authorization of the issuance of the Bonds; and

WHEREAS, Raymond James & Associates, Inc., of New Orleans, Louisiana (the "Underwriter"), proposes to purchase the Bonds in accordance with the terms of a bond purchase agreement to be executed by the Issuer and the Underwriter (the "Bond Purchase Agreement") with respect to the Bonds; and

WHEREAS, the Issuer now desires to fix the details necessary with respect to the issuance and sale of the Bonds, to authorize the sale of the Bonds to the Underwriter pursuant to the Bond Purchase Agreement, and to provide for the execution of certain instruments, documents and certificates in connection therewith;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of St. Mary Levee District, acting as the governing authority of the Issuer, that:

ARTICLE 1)

DEFINITIONS AND INTERPRETATION

SECTION a) **Definitions.** The following terms shall have the following meanings unless the context otherwise requires:

"Act" shall mean Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

"Bond" or "Bonds" shall mean the Bonds issued pursuant to this Bond Resolution, as the same may be amended from time to time, whether initially delivered or issued in exchange for, upon transfer of, or *in lieu* of any previously issued Bond.

"Bond Insurer" shall mean the provider of a municipal bond insurance policy named in the Bond Purchase Agreement, if any.

"Bond Obligation" shall mean, as of the date of computation, the principal amount of the Bonds then Outstanding.

"Bond Purchase Agreement" shall mean the final bond purchase agreement between the Issuer and the Underwriter with respect to the Bonds, which shall be in substantially the form attached hereto as **Exhibit A.**

"Bond Resolution" shall mean this resolution, as it may be amended and supplemented as herein provided.

"Business Day" shall mean a day of the year other than a day on which banks located in New York, New York and the cities in which the principal offices of the Paying Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Costs of Issuance" shall mean all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and charges for the preparation and distribution of any preliminary official statement and/or official statement, if paid by the Issuer, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, premiums for the insurance of the payment of the Bonds, if any, and any other cost, charge or fee paid or payable by the Issuer in connection with the original issuance of Bonds.

"Debt Service" for any period shall mean, as of the date of calculation, an amount equal to the sum of (a) interest payable during such period on Bonds and (b) the principal amount of Bonds which mature or are subject to mandatory redemption during such period.

"Executive Officers" shall mean collectively the President and the Secretary of the Governing Authority.

"Fiscal Year" shall mean the one-year accounting period commencing on January 1 of each year, or such other one-year period as may be designated by the Governing Authority as the fiscal year of the Issuer.

"Governing Authority" shall mean the Board of Commissioners of St. Mary Levee District.

"Interest Payment Date" shall mean March 1 and September 1 of each year, commencing March 1, 2019.

"Issuer" shall mean St. Mary Levee District.

"Outstanding" when used with reference to the Bonds, shall mean, as of any date, all Bonds theretofore issued under the Bond Resolution, except:

- (a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Bonds for which payment or redemption sufficient cash or government securities, or both, have been theretofore deposited in trust for the owners of such Bonds with the effect specified in this Bond Resolution or by law;
- (c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered pursuant to this Bond Resolution; and
- (d) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Bond Resolution or by law.

"Owner" or "Owners" shall mean the Person reflected as registered owner of any of the Bonds on the registration books maintained by the Paying Agent.

"Paying Agent" shall mean Hancock Whitney Bank, of Baton Rouge, Louisiana, as paying agent and registrar hereunder, until a successor Paying Agent shall have become such pursuant to the applicable provisions of the Bond Resolution, and thereafter "Paying Agent" shall mean such successor Paying Agent.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Project" shall mean funding flood protection projects within the Issuer, including the acquisition of equipment therefor.

"Record Date" shall mean, with respect to an Interest Payment Date, the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not such day is a Business Day.

"State" shall mean the State of Louisiana.

"Tax" shall mean an ad valorem tax of 5 mills currently being levied within the Issuer as authorized at an election held on May 1, 2010 (such rate being subject to adjustment from time to time due to reassessment).

"Underwriter" shall mean Raymond James & Associates, Inc., of New Orleans, Louisiana.

SECTION b) **Interpretation.** In this Bond Resolution, unless the context otherwise requires, (a) words importing the singular include the plural and vice versa, (b) words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders and (c) the title of the offices used in this Bond Resolution shall be deemed to include any other title by which such office shall be known under any subsequently adopted charter.

ARTICLE 2)

AUTHORIZATION AND ISSUANCE OF BONDS

SECTION a) **Authorization of Bonds.** i) Pursuant to the provisions of the Act, there is hereby created a series of Bonds of the Issuer entitled "Limited Tax Revenue Bonds, Series 2018, of St. Mary Levee District" for the purpose of financing the costs of the Project and paying Costs of Issuance; and

ii) This Bond Resolution provides for the full and final payment of the principal of and interest on all the Bonds.

SECTION b) **Bond Resolution 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 Bond Resolution shall be a part of the contract of the Issuer with the Owners of the Bonds and shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, each of which Bonds, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Bond Resolution.

SECTION 2.3. **Denominations, Dates, Maturities and Interest.** In compliance with the terms and provisions of the Act, there is hereby authorized the incurring of an indebtedness of not exceeding Sixteen Million Dollars (\$16,000,000) for, on behalf of, and in the name of the Issuer, for the purpose of paying the cost of the Project and paying the Costs of Issuance of the Bonds, and to represent said indebtedness, this Governing Authority does hereby authorize the issuance of not exceeding Sixteen Million Dollars (\$16,000,000) of Limited Tax Revenue Bonds, Series 2018, of the Issuer. The Bonds shall be dated the date of delivery, shall be numbered consecutively from R-1 upwards, shall mature on March 1 in each of the years and in the principal amounts as shall be set forth in the Bond Purchase Agreement, may be serial bonds or term bonds with mandatory redemption provisions, as set forth in the Bond Purchase Agreement, and shall mature no later than thirty (30) years from the date of issuance. The unpaid principal of the Bonds shall bear interest from the date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided, payable on March 1 and September 1 of each year, beginning March 1, 2019, all as more fully set forth in the Bond Purchase Agreement.

The principal of and interest on the Bonds shall be payable in such coin or currency of the United States of America which at the time of payment is legal tender for public and private debts.

The Bonds shall bear interest at a rate or rates of interest (not exceeding 6.00% per annum) and shall be sold at such price all as set forth in the Bond Purchase Agreement.

The principal of the Bonds upon maturity or earlier redemption shall be payable at the designated office of the Paying Agent, upon presentation and surrender thereof, and interest on the Bonds shall be payable by check of the Paying Agent mailed by the Paying Agent to the Owner (determined as of the close of business on the Record Date) at the address shown on the Bond Register. Each Bond delivered under this

Resolution upon transfer of, in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond, and each such Bond shall bear interest (as herein set forth) so neither gain nor loss in interest shall result from such transfer, exchange or substitution.

SECTION 2.4 **Form of Bonds.** The form of the Bonds shall be substantially as set forth in **Exhibit B** hereto. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Resolution unless and until a certificate of registration on such Bond substantially in the form set forth in **Exhibit B** hereto shall have been duly executed on behalf of the Paying Agent by a duly authorized signatory, and such executed certificate of the Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been executed, registered and delivered under this Bond Resolution.

SECTION 2.5 **Execution.** The Bonds shall be executed in the name and on behalf of the Issuer by the manual or facsimile signature of the Executive Officers, and the corporate seal of the Issuer (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon.

SECTION 2.6 **Book Entry Registration of Bonds.** The Bonds shall be initially issued in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), as registered owner of the Bonds, and held in the custody of DTC. The Executive Officers or any other officer of the Issuer is authorized to execute and deliver a Blanket Issuer Letter of Representations to DTC on behalf of the Issuer with respect to the issuance of the Bonds in "book-entry only" format. The terms and provisions of said Letter of Representations shall govern in the event of any inconsistency between the provisions of this Bond Resolution and said Letter of Representations. Initially, a single certificate will be issued and delivered to DTC for each maturity of the Bonds. The Beneficial Owners will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

Notwithstanding anything to the contrary herein, while the Bonds are issued in book-entry-only form, the payment of principal of, premium, if any, and interest on the Bonds may be payable by the Paying Agent by wire transfer to DTC in accordance with the Letter of Representations.

For every transfer and exchange of the Bonds, the Beneficial Owner (as defined in the Blanket Issuer Letter of Representations) may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner under the following circumstances:

- (a) DTC determines to discontinue providing its service with respect to the Bonds. Such a determination may be made at any time by giving 30 days' notice to the Issuer and the Paying Agent and discharging its responsibilities with respect thereto under applicable law; or
- (b) The Issuer determines that continuation of the system of book-entry transfer through DTC (or a successor securities depository) is not in the best interests of the Issuer and/or the Beneficial Owners.

The Issuer and the Paying Agent will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

Neither the Issuer or the Paying Agent are responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

Whenever during the term of the Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Bond Resolution of holding, delivering or transferring the Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time DTC ceases to hold the Bonds, all references herein to DTC shall be of no further force or effect.

ARTICLE 3)

GENERAL TERMS AND PROVISIONS OF THE BONDS

SECTION a) **Pledge and Dedication of Revenues.** Pursuant to the Act, the Bonds shall be secured by and payable from an irrevocable pledge and dedication of the avails or proceeds of the Tax. This Governing Authority does hereby obligate itself and its successors in office to impose and collect the Tax annually in each year and not to voluntarily reduce the millage rate until the Bonds are retired, and does hereby irrevocably and irrepealably dedicate, appropriate and pledge the annual income to be derived from the assessment, levy and collection of the Tax in each year to the payment of the Bonds until their maturity, subject to the provisions of Section 3.2 hereof.

SECTION b) **Sinking Fund.** For the payment of the principal of and the interest on the Bonds and any additional parity bonds, there shall be established and maintained a special fund known as "Limited Tax Revenue Bonds Sinking Fund" (the "Sinking Fund"), said Sinking Fund being established and maintained with the Paying Agent or the regularly designated fiscal agent bank of the Issuer. The Issuer shall deposit in the Sinking Fund from the first revenues of the Tax received in any calendar year a sum equal to the principal and/or interest falling due on the Bonds in that calendar year. The depository for the Sinking Fund shall transfer from the Sinking Fund to the Paying Agent at least three (3) days in advance of each payment date funds fully sufficient to pay promptly the principal and interest falling due on such date.

It shall be specifically understood and agreed, however, and this provision shall be a part of this contract, that after the funds have been budgeted out of the revenues of the Tax for any year sufficient to pay the principal and interest on the Bonds herein authorized for that year, and all required amounts for that year have been deposited in the aforesaid Sinking Fund established for the Bonds, then any annual revenues of the Tax remaining in that year shall be free for expenditure by the Issuer for the purposes for which the Tax was authorized by the voters.

All moneys deposited with the regularly designated fiscal agent bank or banks of the Issuer or the Paying Agent under the terms of this Bond Resolution shall constitute sacred funds for the benefit of the Owners of the Bonds, and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

All or any part of the moneys in the Sinking Fund shall, at the written request of the Issuer, be invested in accordance with the provisions of the laws of the State of Louisiana.

SECTION c) **Parity Bonds.** The Issuer shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the revenues of the Tax having priority over or parity with the Bonds, except that additional obligations may hereafter be issued on a parity with the Bonds, under the following conditions:

- (a) The Bonds may be refunded, and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy whatever priority of lien over subsequent issues may have been enjoyed by the Bonds refunded; provided, however, that if only a portion of the Bonds outstanding is so refunded and the refunding bonds require total principal and interest payments during any year in excess of the principal and interest which would have been required in such year to pay the Bonds refunded thereby, then such

Bonds may not be refunded without the consent of the Owners of the unrefunded portion of the Bonds and any bonds then outstanding on a parity with the Bonds (provided such consent shall not be required if such refunding bonds meet the requirements set forth in clause (b) of this Section).

(b) Additional obligations may also be issued on a parity with the Bonds if all of the following conditions are met:

(1) The revenues of the Tax actually received by the Issuer in each of the prior two (2) Fiscal Years prior to the issuance of such additional bonds is greater than 2.0 times the highest amount of the combined principal and interest requirements for any future Fiscal Year on the Bonds and the said additional bonds; and

(2) The Issuer is in full compliance with all covenants in connection with the Bonds and any additional obligations and there must be no delinquencies in payments required to be made in connection therewith; and

(3) The additional obligations must be payable as to principal on March 1st of each year in which principal falls due and payable as to interest on March 1 and September 1 of each year.

SECTION d) Exchange of Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration and for the registration of transfer of the Bonds as provided in this Bond Resolution to be kept by the Paying Agent at its principal corporate trust office, and the Paying Agent is hereby constituted and appointed the registrar for the Bonds. At reasonable times and under reasonable regulations established by the Paying Agent said list may be inspected and copied by the Issuer or by the Owners (or a designated representative thereof) of 15% of the outstanding principal amount of the Bonds.

All Bonds presented for registration of transfer or exchange shall be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or his attorney duly authorized in writing.

Upon surrender for registration of transfer of any Bond, the Paying Agent shall register and deliver in the name of the transferee or transferees one or more new fully registered Bonds of authorized denomination of the same maturity and interest rate, and like aggregate principal amount. At the option of an Owner, Bonds may be exchanged for other Bonds of authorized denominations of the same maturity and interest rate, and like aggregate principal amount, upon surrender of the Bonds to be exchanged at the principal corporate trust office of the Paying Agent. Whenever any Bonds are so surrendered for exchange, the Paying Agent shall register and deliver in exchange therefor the Bond or Bonds which the Owner making the exchange shall be entitled to receive.

No service charge to the Owners shall be made by the Paying Agent for any exchange or registration of transfer of Bonds. The Paying Agent may require payment by the person requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

The Issuer and the Paying Agent shall not be required to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the Interest Payment Date.

All Bonds delivered upon any registration of transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Bond Resolution as the Bonds surrendered.

Prior to due presentment for registration of transfer of any Bond, the Issuer and the Paying Agent, and any agent of the Issuer or the Paying Agent may deem and treat the person in whose name any Bond is registered as the absolute owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

SECTION e) Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be improperly canceled, or be destroyed, stolen or lost, the Issuer may in its discretion adopt a resolution and thereby authorize the issuance and delivery of a new Bond in exchange for and substitution for such mutilated or improperly canceled Bond, or *in lieu* of and substitution for the Bond destroyed, stolen or lost, upon the Owner (i) furnishing the Issuer and the Paying Agent proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Issuer and the Paying Agent, (ii) giving to the Issuer and the Paying Agent an indemnity bond in favor of the Issuer and the Paying Agent in such amount as the Issuer may require, (iii) complying with such other reasonable regulations and conditions as the Issuer may prescribe and (iv) paying such expenses as the Issuer and the Paying Agent may incur. All Bonds so surrendered shall be delivered to the Paying Agent for cancellation pursuant to Section 3.7 hereof. If any Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bond issued pursuant to this Section shall constitute an original, additional, contractual obligation on the part of the Issuer, whether or not the lost, stolen or destroyed Bond be at any time found by anyone. Such duplicate Bond shall be in all respects identical with those replaced except that it shall bear on its face the following additional clause:

"This bond is issued to replace a lost, canceled or destroyed bond under the authority of R.S. 39:971 through 39:974."

Such duplicate Bond may be signed by the facsimile signatures of the same officers who signed the original Bonds, provided, however, that in the event the officers who executed the original Bonds are no longer in office, then the new Bonds may be signed by the officers then in office. Such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source and security for payment as provided herein with respect to all other Bonds hereunder, the obligations of the Issuer upon the duplicate Bonds being identical to its obligations upon the original Bonds and the rights of the Owner of the duplicate Bonds being the same as those conferred by the original Bonds.

SECTION f) Preparation of Definitive Bonds, Temporary Bonds. Until the definitive Bonds are prepared, the Issuer may execute, in the same manner as is provided in Section 2.5, and deliver, *in lieu* of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations, one or more temporary typewritten Bonds substantially of the tenor of the definitive Bonds *in lieu* of which such temporary Bond or Bonds are issued, in authorized denominations, and with such omissions, insertions and variations as may be appropriate to temporary Bonds.

SECTION g) Cancellation of Bonds. All Bonds surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Paying Agent, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Paying Agent and, if not already canceled, shall be promptly canceled by the Paying Agent. The Issuer may at any time deliver to the Paying Agent for cancellation any Bonds previously registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent. All canceled Bonds held by the Paying Agent shall be disposed of as directed in writing by the Issuer.

While the Bonds are held in the Book-Entry System they need not be physically presented to the Paying Agent. The transfer of beneficial interest will be affected in accordance with procedures of the DTC.

SECTION 3.8 Business Days. If any payment is due or any action required to be made pursuant to the terms of the Bond Resolution or the Bond Purchase Agreement on a day that is not a Business Day, then such payment shall be made or action taken on the next Business Day with the force and effect as if paid or taken when originally due or required.

ARTICLE 4)

REDEMPTION OF BONDS

SECTION a) **Redemption of Bonds.** The Bonds shall be subject to optional and/or mandatory redemption by the Issuer in the manner and pursuant to the procedures set forth in the Bond Purchase Agreement substantially in the form attached hereto as **Exhibit A.**

SECTION b) **Notice to Paying Agent.** In the case of any optional redemption of Bonds, the Issuer shall give written notice to the Paying Agent of the election so to redeem and the redemption date, and of the principal amounts and numbers of the Bonds or portions of Bonds of each maturity to be redeemed. Such notice shall be given at least thirty (30) days prior to the redemption date. In the event notice of redemption shall have been given as provided in Section 4.3, the Issuer shall, provided funds have been made available for such purpose, deposit such funds on or before the redemption date with the Paying Agent in an amount which, in addition to other amounts, if any, available therefor held by the Paying Agent will be sufficient to redeem on the redemption date all of the Bonds to be redeemed.

SECTION c) **Notice of Redemption.** Notice of any optional redemption shall be given by the Paying Agent by mailing a copy of the redemption notice by first class mail, postage prepaid, or delivering a copy via accepted means of electronic communication, not less than thirty (30) days prior to the date fixed for redemption, to the Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books maintained by the Paying Agent. Failure to give such notice by mailing to any Owner, or any defect therein, shall not affect the validity of any proceedings for the redemption of other Bonds. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner of such Bonds receives the notice. On or before any redemption date the Paying Agent shall segregate and hold in trust funds furnished by the Issuer for the payment of the Bonds or portions thereof called, together with accrued interest thereon to the redemption date, and provided such funds have been so deposited shall pay such funds to the Owners of such Bonds or portions thereof on said redemption date. Upon the giving of notice and the deposit of funds for redemption, interest on such Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption. If said moneys shall not be so available on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

SECTION d) **Purchase of Bonds.** The Paying Agent shall endeavor to apply any moneys furnished by the Issuer for the redemption of Bonds (but not committed to the redemption of Bonds as to which notice of redemption has been given) to the purchase of appropriate outstanding Bonds. In accordance with Section 3.7, any Bonds so purchased shall be canceled. Subject to the above limitations, the Paying Agent, at the direction of the Issuer, shall purchase Bonds at such times, for such prices, in such amounts and in such manner (whether after advertisement for tenders or otherwise) with monies made available by the Issuer for such purpose, provided, however, that the Paying Agent shall not expend amounts for the purchase of Bonds of a particular maturity (excluding accrued interest, but including any brokerage or other charges) in excess of the amount that would otherwise be expended for the redemption of Bonds of such maturity, plus accrued interest, and, provided further, that the Issuer may, in its discretion, direct the Paying Agent to advertise for tenders for the purchase of Bonds not less than sixty (60) days prior to any date for redemption of Bonds.

ARTICLE 5)

APPLICATION OF BOND PROCEEDS

SECTION a) **Application of Bond Proceeds.** The proceeds derived from the sale of the Bonds shall be deposited by the Issuer with its fiscal agent bank or banks in a special fund called the A Series 2018 Limited Tax Bonds Construction Fund, @ such fund to be used only for the purposes for which the Bonds are issued, as herein provided.

ARTICLE 6)

SUPPLEMENTAL BOND RESOLUTIONS

SECTION a) **Supplemental Resolutions Effective Without Consent of Owners.** The Governing Authority intends to adopt a supplemental resolution subsequent to the sale of the Bonds to memorialize the terms thereof for any one or more of the following purposes and at any time from time to time, a resolution supplemental hereto may be adopted, which, upon the filing with the Paying Agent of a certified copy thereof, but without any consent of Owners, shall be fully effective in accordance with its terms:

- (a) to add to the covenants and agreements of the Issuer in the Bond Resolution other covenants and agreements to be observed by the Issuer which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;
- (b) to add to the limitations and restrictions in the Bond Resolution other limitations and restrictions to be observed by the Issuer which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;
- (c) to surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of the Bond Resolution, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer contained in the Bond Resolution;
- (d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of the Bond Resolution; or
- (e) to insert such provisions clarifying matters or questions arising under the Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with the Bond Resolution as theretofore in effect.

SECTION b) **Supplemental Resolutions Effective With Consent of Owners.** Except as provided in Section 6.1, any modification or amendment of the Bond Resolution or of the rights and obligations of the Issuer and of the Owners of the Bonds hereunder, in any particular, may be made by a supplemental resolution, with the written consent of the Owners of a majority of the Bond Obligation at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or redemption price thereof or in the rate of interest thereon without the consent of the Owner of such Bond, 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 Issuer to levy and collect taxes for the payment of the Bonds as provided herein, without the consent of the Owners of all of the Bonds then outstanding, or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto. For the purposes of this Section, Bonds shall be deemed to be affected by a modification or amendment of the Bond Resolution if the same adversely affects or diminishes the rights of the Owners of said Bonds.

A supplemental resolution, upon the filing with the Paying Agent of a certified copy thereof, shall become fully effective in accordance with its terms.

ARTICLE 7)

TAX COVENANTS

SECTION a) **Tax Covenants.** The Issuer 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. The Issuer shall not take any action or fail to take any action, nor shall it permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in any manner, to acquire any securities or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in the Code or would result in the inclusion of the interest on any Bond in "gross income" under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of the

proceeds of the Bonds, (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" under the Code.

The Executive Officers are hereby empowered, authorized and directed to take any and all action and to execute and deliver any instrument, document or certificate necessary to effectuate the purposes of this Section.

SECTION b) **Bonds are not AQualified Tax-Exempt Obligations.** The Bonds are not designated as Aqualified tax-exemption obligations@ within the meaning of Section 265(b)(3)(B) of the Code.

ARTICLE 8)

REMEDIES ON DEFAULT

SECTION a) **Events of Default.** If one or more of the following events (in this Bond Resolution called "Events of Default") shall happen, that is to say,

- i) if 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
- ii) if 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
- iii) if default shall be made by the Issuer in the performance or observance of any other of the covenants, agreements or conditions on its part in the Bond Resolution, any supplemental resolution or in the Bonds contained and such default shall continue for a period of forty-five (45) days after written notice thereof to the Issuer by any Owner; or
- iv) if the Issuer shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law;

then, upon the happening and continuance of any Event of Default the Owners of the Bonds shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

ARTICLE 9)

PAYING AGENT

SECTION a) **Paying Agent; Appointment and Acceptance of Duties.** The Issuer will at all times maintain a Paying Agent having the necessary qualifications for the performance of the duties described in this Bond Resolution. The designation of Hancock Whitney Bank, of Baton Rouge, Louisiana, as the initial Paying Agent is hereby confirmed and approved. The Paying Agent shall signify its acceptance of the duties and obligations imposed on it by the Bond Resolution by executing and delivering to the Executive Officers a written acceptance thereof. The Governing Authority reserves the right to appoint a successor Paying Agent by i) filing with the Person then performing such function a certified copy of a resolution giving notice of the termination of the agreement and appointing a successor and ii) causing notice to be given to each Owner. Furthermore, the Paying Agent may be removed by the Issuer at any time for any breach of its duties set forth herein, effective upon appointment of a successor Paying Agent as set forth above. Every Paying Agent appointed hereunder shall at all times be a trust company or bank 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.

ARTICLE 10)

MISCELLANEOUS

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

(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 Issuer 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. Bonds shall be deemed to have been paid, prior to their maturity, within the meaning and with the effect expressed above in this Section if they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto.

SECTION b) **Continuing Disclosure.** The Executive Officers are hereby empowered and directed to execute an appropriate Continuing Disclosure Certificate (substantially in the form set forth in the official statement issued in connection with the sale and issuance of the Bonds) pursuant to S.E.C. Rule 15c2-12(b)(5).

SECTION c) **Evidence of Signatures of Owners and Ownership of Bonds.** i) Any request, consent, revocation of consent or other instrument which the Bond Resolution may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys-in-fact appointed in writing. Proof of (1) the execution of any such instrument, or of an instrument appointing any such attorney, or (2) the ownership by any person of the Bonds shall be sufficient for any purpose of the Bond Resolution (except as otherwise therein expressly provided) if made in the following manner, or in any other manner satisfactory to the Paying Agent, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

- (a) the fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company or of any notary public or other officer authorized to take acknowledgments of deeds, that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority;
- (b) the ownership of Bonds and the amount, numbers and other identification, and date of owning the same shall be proved by the registration books of the Paying Agent.
- ii) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Issuer or the Paying Agent in accordance therewith.

SECTION d) **Budget; Financial Statements.** As long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall prepare and adopt a budget prior to the beginning of each Fiscal Year and shall have prepared audited financial statements in the time required by State law.

SECTION e) **Bonds Legal Obligations.** The Bonds shall constitute legal, binding and valid obligations of the Issuer and shall be the only representations of the indebtedness as herein authorized and created.

SECTION f) **Moneys Held for Particular Bonds.** The amounts held by the Paying Agent for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it, without liability for interest, for the Owners of the Bonds entitled thereto.

SECTION g) **Parties Interested Herein.** Nothing in the Bond Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer, the Paying Agent, and the Owners of the Bonds any right, remedy or claim under or by reason of the Bond Resolution or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Bond Resolution contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent and the Owners of the Bonds.

SECTION h) **No Recourse on the Bonds.** No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Bond Resolution against any member of the Governing Authority or officer, employee or agent of the Issuer or any person executing the Bonds.

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

SECTION j) **Severability.** In case any one or more of the provisions of the Bond Resolution 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 the Bond Resolution or of the Bonds, but the Bond Resolution 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 the Bond Resolution which validates or makes legal any provision of the Bond Resolution or the Bonds which would not otherwise be valid or legal shall be deemed to apply to the Bond Resolution and to the Bonds.

SECTION k) **Recital of Regularity.** This Governing Authority having investigated the regularity of the proceedings had in connection with the Bonds herein authorized and having determined the same to be regular, 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 l) **Publication of Bond Resolution.** This Bond Resolution shall be published one time in the official journal of the Issuer; however, it shall not be necessary to publish any exhibits hereto if the same are available for public inspection and such fact is stated in the publication.

SECTION m) **Peremption.** For thirty days after the date of publication, any person in interest may contest the legality of this Bond Resolution, any provision of the Bonds, the provisions therein made for the security and payment of the Bonds and the validity of all other provisions and proceedings relating to the authorization and issuance of the Bonds. After the said thirty days, no person may contest the regularity, formality, legality or effectiveness of the Bond Resolution, any provisions of the Bonds to be issued pursuant hereto, the provisions for the security and payment of the Bonds and the validity of all other provisions and proceedings relating to their authorization and issuance, for any cause whatever. Thereafter, it shall be conclusively presumed that the Bonds are legal and that every legal requirement for the issuance of the Bonds has been complied with. No court shall have authority to inquire into any of these matters after the said thirty days.

SECTION n) **Execution of Documents.** In connection with the issuance and sale of the Bonds, the Executive Officers are authorized, empowered and directed to take all actions and execute on behalf of the Issuer such documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this Bond Resolution, the signature of the Executive Officer on such documents, certificates and instruments to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION o) **Effective Date.** This Bond Resolution shall become effective immediately.

SECTION p) **Post-Issuance Compliance.** The Executive Officers and/or their designees are directed to establish written procedures to assist the Issuer in complying with various State and Federal statutes, rules and regulations applicable to the Bonds and are further authorized to take any and all actions as may be required by said written procedures to ensure continued compliance with such statutes, rules and regulations throughout the term of the Bonds.

ARTICLE 11)

SALE OF BONDS

SECTION a) **Sale of Bonds.** The Bonds are hereby awarded to and sold to the Underwriter. So long as the terms of the Bonds do not exceed the parameters set forth in Section 2.3 hereof, the Executive Officers are or either of them is hereby expressly authorized and directed to execute the Bond Purchase Agreement on behalf of the Issuer, which Bond Purchase Agreement shall be a binding agreement of the Issuer upon its execution and shall govern the price at which and the terms and conditions pursuant to which the Bonds are to be sold to the Underwriter. After their execution and authentication by the Paying Agent, the Bonds shall be delivered to the Underwriter or its agents or assigns, upon receipt by the Issuer of the agreed purchase price.

SECTION b) **Preliminary Official Statement.** The Issuer hereby authorizes the preparation of the Preliminary Official Statement pertaining to the Bonds and hereby approves its use by the Underwriter in connection with the sale of the Bonds.

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

YEAS: Wilson Terry, Junius Hebert, James Vidos, Kenny Arceneaux, William Hidalgo Sr., Luther Smith, Barry Broussard, Norris Crappell

NAYS: None

ABSTAINING: None

ABSENT: Alton Broussard

This resolution was declared adopted on this the 11th day of October, 2018.

/s/ Barry Broussard
Secretary

/s/ William Hidalgo, Sr.
President

Mr. Broussard moved to authorize SMLD to submit Capital Outlay applications for the Bayou Chene project, the West St. Mary (Levees west of the Charenton canal), and Lakeside Closure. After a second by Mr. Crappell the motion carried unanimously.

Mr. Hebert moved to authorize Mr. Hidalgo to sign a CEA with CRPA to facilitate the transfer of state funds to SMLD to cover engineering and design costs for the Bayou Chene project. After a second by Mr. Crappell, the motion carried unanimously.

Mr. Terry moved to authorize SMLD to proceed forward with the design of the Bayou Chene project. After a second by Mr. Arceneaux, the motion carried unanimously.

Mr. Hidalgo asked for further comments and did not receive any. Mr. Terry moved for adjournment, which was seconded by Mr. Crappell and carried unanimously.

Attest:

Barry A. Broussard, Secretary
St. Mary Levee District