

A RESOLUTION OF THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH TO REGULATE AND PROVIDE FOR THE ISSUANCE OF A \$2,000,000 IN PRINCIPAL AMOUNT CITY OF SAVANNAH GENERAL OBLIGATION STREET IMPROVEMENT BOND, SERIES 2017, AS AUTHORIZED BY THE CONSTITUTION OF THE STATE OF GEORGIA, PURSUANT TO AND IN CONFORMITY WITH THE CONSTITUTION AND STATUTES OF THE STATE OF GEORGIA, TO REGULATE AND PROVIDE FOR THE FORM OF THE BOND; TO PROVIDE FOR THE ASSESSMENT AND COLLECTION OF A DIRECT ANNUAL TAX SUFFICIENT IN AMOUNT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BOND; TO PROVIDE FOR THE ISSUANCE AND SALE OF THE BOND; TO PROVIDE FOR THE VALIDATION OF THE BOND; AND FOR OTHER PURPOSES.

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PREAMBLE

WHEREAS, it is provided by the Constitution of the State of Georgia, I Ga. L. 1972, p. 1521, Section 1, that:

“...the Mayor and Aldermen of the City of Savannah may issue general obligation bonds for street and drainage improvements and all costs necessary therefor including acquiring rights-of-way without submitting the issuance thereof to the voters of said City at a referendum, subject to the following restrictions and limitations:

1. The issuance of such bonds shall be authorized at a public meeting held for such purpose after at least ten (10) days’ notice thereof in the official organ of said City and in at least one (1) of the daily newspapers of said City.

2. Not more than ten (10%) percent of the total unused bond capacity of said City and in no event more than one million dollars (\$1,000,000.00) in the aggregate in such bonds so issued without a referendum shall be issued in any fiscal year.

3. The aggregate of all outstanding bonds, including those issued by vote of the people in a referendum and those issued under this amendment without a referendum, shall not exceed the limitations provided elsewhere in this paragraph.

4. Funds realized under provisions of this paragraph shall be expended only in accordance with existing paving policies of the Mayor and Aldermen of the City of Savannah in effect on January 1, 1972, to the end that property owners affected will continue to pay such present portion of paving costs unless the paving project is declared a public necessity;” and

WHEREAS, it is provided by the Constitution of the State of Georgia, as amended, I Ga. L. 1977, p. 1583, Section 1, that:

“Notwithstanding any provision of this Article, the Mayor and Aldermen of the City of Savannah may issue general obligation bonds for street and drainage improvements and all costs necessary therefor including acquiring rights-of-way without submitting the issuance thereof to the voters of said City at a referendum. The authority to issue bonds under the provisions of this paragraph shall be in addition to and shall not alter, impair, limit or otherwise affect the power of the Mayor and Aldermen to issue the bonds provided for in an amendment ratified on November 7, 1972 (Ga. L. 1972, p. 1521), but the bonds issued under this paragraph shall be in addition to the bonds authorized by such amendment. Bonds issued under this paragraph shall be subject to the following restrictions and limitations:

1. The issuance of such bonds shall be authorized at a public meeting held for such purpose after at least ten (10) days' notice thereof in the official organ of said City and in at least one (1) of the daily newspapers of said City.

2. Not more than ten (10%) percent of the total unused bond capacity of said City and in no event more than one million dollars (\$1,000,000.00) in the aggregate in such bonds so issued without a referendum shall be issued in any fiscal year.

3. The aggregate of all outstanding bonds, including those issued by vote of the people in a referendum and those issued under this amendment without a referendum, shall not exceed the limitations provided elsewhere in this paragraph.

4. Funds realized under provisions of this paragraph shall be expended only in accordance with existing paving policies of the Mayor and Aldermen of the City of Savannah in effect on January 1, 1979, to the end that property owners affected will continue to pay such present portion of paving costs unless the paving project is declared a public necessity;" and

WHEREAS, the public meeting required by the provisions of Section 1, Paragraph 1, of each of the aforesaid constitutional amendments was held on August 17, 2017, after at least ten days' published notice thereof, for the purpose of considering the issuance of a general obligation street improvement bond (the "**Bond**") of the Mayor and Aldermen of the City of Savannah, a municipal corporation and a political subdivision of the State of Georgia (the "**City**"), in the principal amount of \$2,000,000, to provide funds needed to pay the costs of street improvements in the City for the use and benefit of the people of the City, and the costs of issuance of the Bond; and

WHEREAS, a request for offers for the purchase of the Bond (the "**RFO**") has been disseminated to prospective bidders by the City; and

WHEREAS, prospective bidders were invited to submit bids for the purchase of the Bond as the same was fully described in the RFO; and

WHEREAS, in the RFO, bidders were requested to submit bids not later than 10:00 a.m., Eastern Time, on Thursday, August 31, 2017; and

WHEREAS, bids were received and opened at 10:00 a.m., Eastern Time, on Thursday, August 31, 2017, a summary of all of which bids is attached hereto and made a part hereof as Exhibit A; and

WHEREAS, the bid of _____ was the best bid with the lowest true interest cost; and

WHEREAS, pursuant to this resolution, the City deems it advisable and in the best interest of the City to accept the best bid for the purchase of the Bond, the best bidder having in all respects complied with the terms of the RFO.

NOW, THEREFORE, in order to issue and deliver the Bond, to adopt a form for the Bond, and to authorize the execution of the same, be it resolved by the Mayor and Aldermen of the City of Savannah in public meeting assembled, and it is hereby resolved by authority of the same, that:

Section 1. Authorization and Sale of the Bond. Under authority of the constitution and laws of the State of Georgia and of this resolution, the Bond is hereby authorized to be issued by the City a single-instrument bond in the principal amount of \$2,000,000.

Section 2. Designation, Maturity and Interest Rate. The Bond will be dated as of its date of issuance and delivery, will be lettered and numbered R-1, and will bear interest at a rate of ____% per annum, calculated on the basis of a 360-day year consisting of twelve 30-day months, payable February 1, 2018, and semi-annually thereafter on August 1 and February 1 (each an “**Interest Payment Date**”) in each year in the manner stated in the bond form set forth in Section 14 hereof. The Bond will be designated CITY OF SAVANNAH GENERAL OBLIGATION STREET IMPROVEMENT BOND, SERIES 2017, and the principal of the Bond will mature and be paid on August 1, 2025, and will be subject to scheduled mandatory redemption of principal on August 1 in the years and amounts (the August 1, 2025 amount to be paid at maturity rather than redeemed) as follows:

<u>Year</u>	<u>Principal Amount</u>
2021	
2022	
2023	
2024	
2025	

Section 3. Medium of Payment. The principal of and interest on the Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The principal of and interest on the Bond on its maturity date shall be payable upon presentation and surrender of the Bond at the designated corporate trust office of the Paying Agent. The scheduled mandatory payments of principal of and interest on the Bond shall be paid by check or draft mailed by the Paying Agent by first class mail to the owner of the Bond at its address as it appears on the bond register kept by the Bond Registrar or by wire transfer to the registered owner of the Bond at a wire transfer address which said registered owner has provided to the Paying Agent not less than five days prior to an Interest Payment Date, which wire instructions shall remain in effect until the Paying Agent is notified to the contrary.

Section 4. Redemption of the Bond. The Bond is not subject to optional redemption prior to its maturity.

Section 5. Registration of the Bond, Paying Agent, and Bond Registrar. The Bond shall be registered as to both principal and interest on registration books to be kept for that purpose by The Bank of New York Mellon Trust Company, N.A., as Paying Agent, Bond Registrar and Authentication Agent. The Paying Agent will be the Bond Registrar for the Bond and will keep, at its designated corporate trust office, proper registration, exchange, and transfer records in which it shall register the name and address of the owner of the Bond. The Bond shall

have endorsed thereon a Certificate of Authentication substantially in the form hereinafter set forth, duly executed by the manual signature of an authorized signatory of the Authentication Agent, and such certificate upon the Bond when duly executed shall be conclusive evidence that the Bond has been duly authenticated, registered, and delivered, and only the Bond bearing such certificate shall be so evidenced. The person in whose name the Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and the payment of principal and interest shall be made only to or upon the order of the registered owner.

Section 6. Bond Registration Book. The Bond Registrar shall keep the Bond Registration Book of the City for the registration of the Bond and for the registration of transfers of the Bond as herein provided. The issuance of the Bond shall be registered upon the Bond Registration Book, and the transfer of the Bond shall be registered upon the Bond Registration Book upon the presentation and surrender of the Bond to the Bond Registrar accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall cause to be authenticated and delivered in exchange for the Bond so surrendered, a new Bond registered in the name of the transferee in a principal amount equal to the principal amount of the Bond so surrendered.

Section 7. Exchange of the Bond. Subject to compliance with the restrictions on transfer set forth in the Bond, the Bond, upon presentation and surrender thereof to the Bond Registrar, together with an assignment duly executed by the registered owner or his duly authorized attorney, in such form as may be satisfactory to the Bond Registrar, may be exchanged, at the option of the registered owner, for a Bond of the same maturity equal to the principal amount of the Bond so surrendered. In all cases in which the privilege of exchanging or transferring the Bond is exercised, the City shall execute and the Bond Registrar shall authenticate and deliver a Bond in accordance with the provisions hereof. The Bond Registrar shall make no charge for such exchange or registration of transfer of the Bond except such charge as shall be sufficient to reimburse it for any tax or other governmental charge, if any, which may be required to be paid with respect to such exchange or registration of transfer. A Bond surrendered in any such exchange or registration of transfer shall be forthwith cancelled by the Bond Registrar and a record of such cancellation shall be entered in the permanent records pertaining to the Bond maintained by the Bond Registrar.

Section 8. Execution of the Bond. The Bond shall be executed for and on behalf of the City with the manually subscribed or the facsimile of the signature of the Mayor, and the seal of the City shall be imprinted, impressed, or otherwise reproduced thereon and attested by the manually executed or facsimile signature of the Clerk of Council. In case any officer whose signature shall appear on the Bond shall cease to be such officer before delivery of such Bond, such signature shall, nevertheless, be valid and sufficient for all purposes as if such officer had remained in office until such delivery, and the Bond may, nevertheless, be issued and delivered as though the person who signed or sealed such Bond had not ceased to be such officer, and the Bond may be executed and sealed on behalf of the City by such officers who may at the time of the execution of such Bond hold the proper offices of the City although on the date of such Bond or on the date of any lawful proceedings taken in connection therewith such persons may not have held such offices. At least one signature required or permitted to be placed on the Bond shall be manually subscribed, which manually subscribed signature may be that of an authorized signatory of the Bond Registrar, as provided in Section 5 hereof.

Section 9. Mutilated, Lost, Stolen, or Destroyed Bond. In the event the Bond is mutilated, lost, stolen or destroyed, the Bond Registrar shall authenticate and deliver a new Bond of like tenor, date, maturity, and denomination as that mutilated, lost, stolen or destroyed, provided that, in the case of any such mutilated Bond, such Bond is first surrendered to the Bond Registrar, and, in the case of any such lost, stolen or destroyed Bond, there is first furnished evidence of such loss, theft, or destruction satisfactory to the Bond Registrar together with indemnity satisfactory to the Bond Registrar. No service charge shall be made for any such transaction, but a charge may be made to cover any actual expense involved. In the event the Bond shall have matured or become due, in lieu of issuing a duplicate Bond, such Bond may be paid without the surrender thereof.

Section 10. Person Treated as Owner of the Bond. The City and its agents, including the Paying Agent and the Bond Registrar, may deem and treat the registered owner of the Bond as the absolute owner of such Bond for the purpose of receiving payment of the principal thereof and the interest thereon and for all purposes whatever. All such payments of principal and interest made to any such owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor any such agent shall be affected by any notice to the contrary.

Section 11. Validation Certificate. A duly executed validation certificate of the Clerk of Superior Court of Chatham County, State of Georgia, signed with the manually subscribed or facsimile signature of such Clerk will be endorsed on the Bond and will be essential to its validity.

Section 12. Tax Covenant. In order to maintain the exclusion from federal gross income of interest on the Bond, the City covenants to comply with the applicable requirements of the Internal Revenue Code of 1986, as amended (the “**Code**”). The Director of Finance, or other official of the City, will execute a certificate, dated as of the date of authentication and delivery of the Bond, to the effect that, on the basis of the facts, estimates and circumstances in existence on the date of such authentication and delivery, it is not expected that the proceeds of the Bond will be used in a manner that would cause the Bond to be an “arbitrage bond” within the meaning of § 148(a) of the Code and the applicable regulations thereunder, and such certificate shall state that, to the best of the knowledge and belief of such officer, such expectations are reasonable and there are no facts or circumstances that would materially change the expectations expressed in such certificate.

Section 13. Home Office Payment Agreement. Notwithstanding any other provision this Resolution, the principal of and interest on the Bond shall be payable to the owner by the City pursuant to a Home Office Payment Agreement dated the date of issuance and delivery of the Bond, by and among the owner, the City, and the Paying Agent.

Section 14. Form of the Bond. The Bond and the Certificate of Validation and Certificate of Authentication to be endorsed thereon will be in substantially the following terms and form, with such variations, omissions, and insertions as may be required to complete properly the Bond and as may be approved by the officer or officers executing the Bond which approval shall be conclusively evidenced by such execution:

[FORM OF THE BOND]

THIS BOND IS SUBJECT TO AN INVESTMENT LETTER AGREEMENT AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO THE TERMS OF SUCH INVESTMENT LETTER AGREEMENT.

This Bond shall not be sold or transferred if such sale or transfer would void the exemption, contained in U.S. Securities and Exchange Commission Rule 15c2-12(d)(1)(i), from the disclosure requirements of Securities and Exchange Commission Rule 15c2-12(b)(5) or any similar rules or statutes in effect at the time of such sale or transfer.

No. R-

UNITED STATES OF AMERICA
STATE OF GEORGIA

CITY OF SAVANNAH
GENERAL OBLIGATION STREET IMPROVEMENT BOND
SERIES 2017

Maturity Date: August 1, 2025
Principal Amount: \$2,000,000
Interest Rate: _____%
Bond Date: [Date of Issuance and Delivery]
Registered Owner: _____

The Mayor and Aldermen of the City of Savannah, a municipal corporation and a political subdivision of the State of Georgia (the "City"), in Chatham County, for value received hereby promises to pay or cause to be paid to the registered owner named above, or registered assigns, the principal amount specified above, subject to the scheduled mandatory payments of principal on August 1 in the manner and in the years and amounts hereinafter set forth, on the maturity date specified above, upon presentation and surrender of this Bond (this "Bond") at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A. (the Paying Agent").

Interest shall accrue on the outstanding principal amount of this Bond beginning on the Bond Date specified above, at a fixed rate of _____% per annum and shall be payable on February 1, 2018 and August 1, 2018, and on February 1 and August 1 of each year thereafter, together with the August 1 scheduled mandatory payments of principal, directly to the Registered Owner pursuant to a Home Office Payment Agreement, dated the date hereof, by and among the City, the Registered Owner and the Paying Agent, by check or draft mailed by first class mail to such owner at its address as it shall appear on the bond register kept by the Bond Registrar or by wire transfer to the Registered Owner of this Bond at a wire transfer address which the Registered Owner has provided to the City, which wire instructions shall remain in effect until the City is notified to the contrary.

Both the principal of and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public

and private debts. This Bond is issued as a single-instrument bond, to provide funds needed to pay the cost in part of street improvements in the City for the use and benefit of the people of the City, and to pay the costs of issuance of this Bond.

This Bond is issued under and pursuant to authority of the constitution and laws of the State of Georgia, which issuance was duly authorized by a resolution of the governing body of the City adopted on August 4, 2017 (the "Bond Resolution"). The indebtedness evidenced by this Bond is a general obligation of the City for the payment of the principal of and interest on which the full faith and credit of the City have been and hereby are irrevocably pledged.

This Bond is subject to scheduled mandatory redemption on August 1 in the years and principal amounts (the August 1, 2025 amount to be paid at maturity rather than redeemed) as follows:

<u>Year</u>	<u>Principal Amount</u>
2021	
2022	
2023	
2024	
2025	

This Bond is not subject to optional redemption prior to maturity.

The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of or on account of either principal or interest made to such registered owner shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid.

It is certified and recited that all acts, conditions, and things required by the constitution or statutes of the State of Georgia, to exist, happen, or be performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in due and legal time, form, and manner as required by law, that provision has been made for the collection of a direct annual tax sufficient in amount to pay the principal of and interest on this Bond in accordance with its terms and that the total indebtedness of the City, including this Bond, does not exceed any limitation prescribed by said constitution or statutes.

IN WITNESS WHEREOF, the Mayor and Aldermen of the City of Savannah has caused this Bond to be executed by the facsimile signature of its Mayor, and its corporate seal to be hereunto reproduced and attested with the facsimile signature of its Clerk of Council, as of the day first above written.

MAYOR AND ALDERMEN
OF THE CITY OF SAVANNAH

(S E A L)

By: _____
Mayor

Attest: _____
Clerk of Council

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bond described in the within-mentioned Resolution.

Date of Authentication: [Date of Issuance and Delivery]

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
Authentication Agent

(S E A L)

By: _____
Authorized Signatory

* * * * *

STATE OF GEORGIA)
)
CHATHAM COUNTY)

VALIDATION CERTIFICATE

I, the undersigned Clerk of Superior Court of Chatham County, State of Georgia, keeper of the records and seal thereof, hereby certify that this Bond was validated and confirmed by judgment of the Superior Court of said county, on September __, 2017.

IN WITNESS WHEREOF, I have hereunto set my hand and seal or caused my official signature and the seal of the Superior Court of Chatham County to be reproduced hereon in facsimile.

(S E A L)

Clerk of Superior Court
Chatham County, Georgia

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto

Social Security Number or
Other Identifying Number of Assignee:

Please print or type name and address
(including postal zip code) of Assignee:

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ as Agent to transfer the within Bond on the
books kept for registration thereof, with full power of substitution in the premises.

Assignor

NOTICE: The signature to this Assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Date: _____, 20__

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the STAMP, SEMP, or MSP signature guarantee medallion programs.

[END OF BOND FORM]

Section 15. Delivery of the Bond. The Bond shall be validated as provided by law and, upon payment of the purchase price therefor, there will be delivered to the purchaser at the earliest feasible date the properly executed Bond as described herein.

Section 16. Receipt for Purchase Price. Upon receipt of such purchase price and interest, the proper receipt therefor shall be executed.

Section 17. Tax Levy for Payment of the Bond. For the purpose of providing funds for the payment of the principal of and interest thereon on the dates on which such principal and interest shall become due and payable, there shall be assessed and levied, by ordinance to be adopted prior to delivery of the Bond, and there shall hereafter be collected in the appropriate years a continuing direct annual tax upon all the taxable property subject to taxation for bond purposes located within the boundaries of the City as the same now exist, and within any extensions thereof, sufficient in amount to produce all sums required to pay the interest coming due on the Bond and the principal of the Bond coming due on its scheduled mandatory prepayment dates and at maturity.

Section 18. Application of Proceeds of the Bond. The proceeds derived from the sale of the Bond shall be applied by the City concurrently with the delivery of the Bond to the purchaser thereof as follows:

(a) All costs of issuance shall be paid at closing directly to those persons who shall be entitled to the same.

(b) The balance of the proceeds from the sale of the Bond shall be deposited in a construction fund (the “**Construction Fund**”) to be created in the name of the City. The funds in the Construction Fund shall be expended to pay the cost, in part, of street improvements in the City. The City shall keep and maintain adequate records pertaining to the Construction Fund and all disbursements therefrom. There shall be retained in the Construction Fund any interest income received on investments of the Construction Fund.

Section 19. Funds Pledged for Payment of the Bond. The funds provided by said tax shall be and hereby are irrevocably pledged to and appropriated for the payment of the principal of and interest on the Bond, and provisions to meet the requirements hereof shall be made hereafter in due time and manner in the annual appropriation measure in each year so that the Bond, as to both principal and interest, shall be fully paid as the same shall mature and become due.

Section 20. Notice to Public. Publication in the *Savannah Morning News* on August 2, 2017, of the notices of public hearing which was held on August 17, 2017, is hereby ratified and confirmed.

Section 21. Authorization for Validation. In order to carry out the issuance of the Bond, the Mayor or the City Manager is hereby authorized and directed to notify the District Attorney of the Eastern Judicial District of Georgia of the adoption of this resolution and to request the District Attorney to file a petition and complaint to confirm and validate the Bond and the said Mayor or City Manager is further authorized to acknowledge service and answer such proceeding.

Section 22. General Authorization. The Mayor, City Manager, or Director of Finance of the City is each hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of this resolution and any one of said officers is further authorized to take any and all further actions and execute and deliver any and all other documents as may be necessary in the issuance of the Bond and all other documents authorized hereby.

Section 23. Conflicting Provisions Repealed. Any and all ordinances or resolutions or parts thereof in conflict herewith are hereby repealed.

ADOPTED this August 31, 2017.

MAYOR AND ALDERMEN
OF THE CITY OF SAVANNAH

By: _____
Eddie DeLoach
Mayor

Exhibit A

SUMMARY OF ALL BIDS RECEIVED

CLERK'S CERTIFICATE

I, the undersigned Clerk of Council of the Mayor and Aldermen of the City of Savannah, Georgia (the "City"), keeper of the records and seal thereof, hereby certify that the foregoing is a true and correct copy of a resolution approved and adopted by the governing body of the City in public meeting assembled on August 31, 2017, the original of which resolution has been entered in the official records of said political subdivision under my supervision and is in my official possession, custody, and control.

(S E AL)

Clerk of Council