

1 CITY OF COVINGTON
2 STATE OF LOUISIANA

3
4 RESOLUTION NUMBER 2023-15

5
6 A RESOLUTION OF THE CITY OF COVINGTON COUNCIL
7 GIVING PRELIMINARY APPROVAL TO A CREDIT SALE
8 PROMMISSORY NOTE OF THE CITY OF COVINGTON, STATE
9 OF LOUISIANA, IN THE PRINCIPAL AMOUNT OF NOT TO
10 EXCEED FOUR HUNDRED THOUSAND DOLLARS

11
12 **WHEREAS**, the City of Covington, State of Louisiana (the "Issuer") is a
13 political subdivision located within the Parish of St. Tammany, State of Louisiana;
14 and

15 **WHEREAS**, Section 1430 of Title 39 of the Louisiana Revised Statutes of
16 1950, as amended, and other constitutional and statutory authority (the "Act"),
17 authorizes public entities to borrow funds to finance projects for authorized
18 purposes; and

19 **WHEREAS**, pursuant to and in accordance with the Act, the Issuer now
20 desires to give preliminary approval to a borrowing in the form of a credit sale
21 promissory note in the maximum principal amount of \$400,000 (the "Note") for the
22 purpose of financing the acquisition of immovable property within the Issuer to be
23 used for public purposes; and

24 **WHEREAS**, the Note shall be secured by and payable from a pledge of all
25 funds or revenues received or to be received by the Issuer to the extent legally
26 available for the payment of debt service on the Note, provided that no such funds
27 or revenues shall be so included which have been or are in the future legally
28 dedicated and required for purposes inconsistent therewith by the electorate, by the
29 terms of specific grants, by the terms of particular obligations issued or to be issued
30 or by operation of law (such amounts being the "Available Funds of the Issuer");
31 and

1

2 **WHEREAS**, it is expressly provided that the full faith and credit of the Issuer
3 shall not be pledged, and there shall be no obligation on the Issuer to levy or increase
4 taxes of other sources of revenue in order to pay debt service on the Note or to
5 transfer any funds for the payment of debt service that may result in a violation of
6 any law, ruling, regulation, contract, or agreement applicable to the Issuer; and

7 **WHEREAS**, the Issuer has no outstanding notes or other obligations of any
8 kind or nature payable from or enjoying a lien on the Available Funds of the Issuer
9 herein pledged;

10 **NOW, THEREFORE, BE IT RESOLVED** by the City Council of
11 the City of Covington, State of Louisiana (the "Governing Authority"), acting as the
12 governing authority of the Issuer, that:

13 SECTION 1. Preliminary Approval of Obligations. Preliminary approval is given to the
14 issuance of a credit sale promissory note in the maximum principal amount of \$400,000 (the
15 "Note"), pursuant to the Act, for the purpose of acquiring immovable property within the Issuer to
16 be used for public purposes, said Note to be secured by and payable from Available Funds of the
17 Issuer. The Note will bear interest at a rate not to exceed 6.5% per annum, shall mature over a
18 period of not exceeding twelve (12) years from the date of issuance, and have such additional terms
19 and provisions as may be determined in a subsequent ordinance of the Issuer.

20 SECTION 2. State Bond Commission. Application is hereby made to the State Bond
21 Commission, Baton Rouge, Louisiana, for approval of the issuance and sale of the Note and for
22 consent and authority to proceed with the issuance and delivery of the Note as provided above,
23 and Bond Counsel is directed to make application to the State Bond Commission in accordance
24 with the foregoing on behalf of the City. By virtue of applicant/issuer's application for, acceptance
25 and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and
26 set forth herein, it resolves that it understands and agrees that such approval(s) are expressly
27 conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors
28 and assigns, to full and continuing compliance with the "State Bond Commission Policy on
29 Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.," adopted

1 by the Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the
2 approval(s), including subsequent application and approval under said Policy of the
3 implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

4 SECTION 3. Employment of Bond Counsel. This Governing Authority finds and
5 determines that a real necessity exists for the employment of special counsel in connection with
6 the issuance of the Note, and accordingly, Foley & Judell, L.L.P., of New Orleans, Louisiana, as
7 Bond Counsel, is hereby employed to do and perform work of a traditional legal nature as bond
8 counsel with respect to the issuance and sale of the Note. Said Bond Counsel shall prepare and
9 submit to this Governing Authority for adoption all of the proceedings incidental to the
10 authorization, issuance, sale and delivery of the Note, shall counsel and advise this Governing
11 Authority as to the issuance thereof and shall furnish, if required, its opinions covering the legality
12 of the issuance of the Note. The fee of Bond Counsel for the Note shall be fixed at a sum not
13 exceeding the fee allowed by the Attorney General's fee guidelines for such bond counsel work in
14 connection with the issuance of revenue bonds and based on the amount of the Note actually
15 issued, sold, delivered and paid for, plus "out-of-pocket" expenses, said fees to be contingent upon
16 the issuance, sale and delivery of the Note. A certified copy of this resolution shall be submitted
17 to the Attorney General of the State of Louisiana for his written approval of said employment and
18 of the fees herein designated, and the Finance Director of the Issuer is hereby empowered and
19 directed to make payment to said counsel of the fees herein provided for under the conditions
20 herein enumerated.

21

22 **MOVED FOR ADOPTION** by Councilman Botsford, seconded by
23 Councilman Smith, was then submitted to a vote, the vote thereon being as
24 follows:

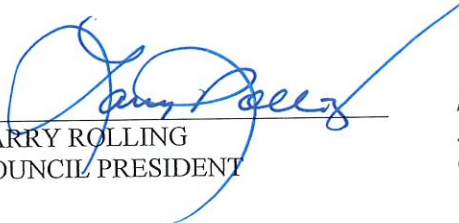
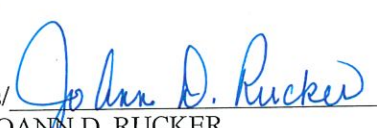
25	YAYS: 6	NAYS: 0
26	ABSENT: 1	ABSTAIN: 0

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28

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1 And the resolution was declared adopted on this, the 12th day of September,
2 2023.

3
4
5 /s/  /s/ 
6 LARRY ROLLING JOANN D. RUCKER
7 COUNCIL PRESIDENT COUNCIL CLERK
8
9

10 CERTIFICATE

11 I, JoAnn D. Rucker, Council Clerk of the City of Covington, certify that the
12
13 above and foregoing constitutes a true and correct copy of a Resolution passed and
14 adopted by the City of Covington on the 12th day of September, 2023, at which
15 meeting a quorum was present and voting.

16 Covington, Louisiana, this 12th day of September, 2023.

17
18
19 /s/ 
20 JOANN D. RUCKER
21 COUNCIL CLERK
22
23