

CITY OF DAPHNE
1705 MAIN STREET, DAPHNE, AL
SPECIAL CALLED CITY COUNCIL MEETING
AGENDA
July 23, 2018
6:00 P.M.

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC HEARING:** Special School Tax District
- 4. RESOLUTIONS & ORDINANCES**

RESOLUTIONS:

2018 -33 - A Resolution authorizing for Leased Equipment: Musco Sports Lighting, LLC

1ST READ ORDINANCES:

2018-28 – Appropriation – Daphne Sports Complex Light Structure System with Total Light Control – Musco Sports Lighting, LLC

2018-29 – Appropriation – Police Equipment for adding three (3) additional School Resource Officers to the City of Daphne Schools

- 5. MAYOR’S REPORT**

Eastern Shore Repertory Theatre update
- 6. ANYTHING ELSE DEEMED NECESSARY**
- 7. ADJOURN**

**CITY OF DAPHNE, ALABAMA
RESOLUTION – 2018-33
AUTHORIZING RESOLUTION FOR LEASED EQUIPMENT:
MUSCO SPORTS LIGHTING, LLC.**

BE IT RESOLVED BY THE CITY OF DAPHNE (the “City”), as follows:

WHEREAS , The City does hereby approve, adopt, authorize, direct, find, represent, ratify and confirm:

(1) the acquisition, installation, and financing of lighting and related equipment (the "Equipment") with respect to facilities of the City under Chapter 16A of Title 41 of the Code of Alabama 1975 and the payment of costs associated with the acquisition, installation and financing of the Equipment, in the aggregate principal amount not to exceed **\$811,500 (50% of total Lighting cost- \$1,623,000.00).**

(2) the representations of the City in, the terms and provisions of, and the transactions to be undertaken pursuant to, the following documents:

(a) Financing will be for a period of 5 years, interest rate of 3.95% (Option 2);

(b) Agreement dated the date within 14 days of the execution of the equipment purchase contract, as Lender, and the City, as Borrower;

(c) Escrow Agreement dated the date of delivery by MUSCO Sports Lighting, LLC and the City;

(d) the MUSCO CONTRACT dated the respective dates of execution, by MUSCO Sports Lighting, LLC, and the City, with respect to the Equipment;

(e) the Tax and Non-Arbitrage Certificate to be dated the date of delivery by the City with respect to the Financing Agreement.

WHEREAS, The documents described above in this resolution (herein collectively the "Financing Documents") are approved in substantially the form and of substantially the content as the Financing Documents presented to and considered by the City, with such changes or additions thereto or deletions therefrom as the officer of the City executing those of the Financing Documents to which the City is a party signatory thereto (herein collectively the "City Documents") shall approve, which approval shall be conclusively evidenced by his executing the City Documents as hereinafter provided.

WHEREAS, The Financing Documents presented to, considered and adopted by the City shall be filed in the permanent records of the City.

WHEREAS, The Mayor of the City is hereby authorized and directed to execute, acknowledge and deliver the City Documents for and on behalf of and in the name of the City. The Mayor of the City is hereby authorized and directed to attest and seal the same. Any prior execution of the City Documents by any of the aforesaid officers is hereby ratified and confirmed.

WHEREAS, The Mayor of the City are hereby authorized and directed to execute, deliver and file such agreements, contracts, documents, instruments and notices as may be necessary or desirable to carry out the provisions of this resolution or complete the financing and transactions herein authorized; and execute and deliver to

the purchaser and to the attorneys approving the legality of the Financing Documents such certified copies of proceedings of the City and such closing papers, proofs and statements containing such representations of fact and law as may be necessary to demonstrate the validity of the Financing Documents, the absence of any pending or threatened litigation with respect to the Financing Documents or any matter referred to therein or in this resolution, the exclusion of interest on the Financing Agreement from gross income for purposes of federal income taxation under Section 103 of the Internal Revenue Code of 1986, as amended, and for purposes of State of Alabama income taxation.

WHEREAS, All actions heretofore taken, and all agreements, commitment letters, contracts, documents and instruments heretofore executed and delivered with respect to the Financing Documents and the transactions hereby approved, by the Mayor, are hereby approved, ratified and confirmed.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, as follows:

1. The City does hereby approve, adopt, ratify, and confirm the seal impressed on these minutes as and for the official corporate seal of the City and said seal shall remain in the custody of the City, who is hereby authorized to affix the same to certificates, contracts, proceedings and other documents of the City.
2. This resolution shall take effect immediately and all ordinances, resolutions, orders, or parts of any thereof which are inconsistent or in conflict with any provision of this resolution hereby are, to the extent of any inconsistency or conflict, repealed.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _____ day of _____, 2018.

Dane Haygood, Mayor

Attest: _____
Candace G. Antinarella, City Clerk



Musco Finance, LLC
 100 1st Avenue West
 Oskaloosa, IA 52577
 Phone: 800-825-6020
 Fax: 641-673-6360

Lease Purchase Proposal

Customer Name: City of Daphne	Date: June 20, 2018
City, State Daphne, AL	
Contact Person: Jeremy Sasser	Sales Rep: Jimmy Jumper
Project Name: Daphne Park Drive Complex	Project # 169847

	Option 1	Option 2	Option 3	Option 4
Estimated Equipment Cost	\$1,623,000.00	\$1,623,000.00	\$1,623,000.00	\$1,623,000.00
Down-payment (Due with Order)	\$811,500.00	\$811,500.00	\$811,500.00	\$811,500.00
Total Amount Financed	\$811,500.00	\$811,500.00	\$811,500.00	\$811,500.00
Term of Contract (Years)	3	5	7	10
Interest Rate (Annual)	3.95%	3.95%	4.45%	4.95%
Payments per Year	1	1	1	1
Payment Amount	\$284,799.95	\$177,569.17	\$133,817.19	\$101,934.16
Number of Payments	3	5	7	10

- At the end of the term, clear title passes with the completion of payments.
- Amount does not include sales tax. Proof of exemption is required.
- Down payment is due with the signed lease agreement.
- \$500.00 Contract Closing Fee due at lease signing.
- Proposal assumes first payment is due October 15, 2018.

The interest rate quoted is based on current market rates and will be adjusted when the lease closes. The lease must qualify for "Federal Income Tax Exempt" status for the Lessor as defined by Section 265(b)(3)(B) of the Internal Revenue Code of 1986*.

This proposal is subject to acceptance of documentation and credit approval. The finance agreement is to be executed within 14 days of the execution of the equipment purchase contract.

Required information may include three years audited financial statements, current year's budget, and most current quarter interim profit and loss statement. Additional information may be requested.

*Lessee must certify that it reasonably anticipates that it and all of its subordinate entities will not issue more than \$10,000,000 of "qualified tax-exempt obligations during the calendar year in which the Lease is executed. The interest rate may vary if this is not the case.

**CITY OF DAPHNE, ALABAMA
ORDINANCE # 2018-28**

**Appropriation: Daphne Sports Complex Light Structure System with Total Light Control
Musco Sports Lighting, LLC**

WHEREAS, Ordinance 2017-77 approved and adopted the Fiscal Year 2018 Budget on October 2, 2017; and

WHEREAS, subsequent to the adoption of the Fiscal Year 2018 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2018 budget; and

WHEREAS, a light structure system is needed to complete the facilities at the Daphne Sport Complex; and

WHEREAS, the City of Daphne has decided to make a 50% down payment of the total equipment cost of \$1,623,000 and finance the remaining costs over five (5) years ; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, that

- 1). Funds in the amount of **\$811,500 from the General Fund are appropriated and transferred to the Capital Reserve Fund** as part of the Fiscal Year 2018 budget for the lighting structure system at the Daphne Sports Complex.
- 2). the Mayor is hereby authorized to execute any and all documents required in order for the City of Daphne to participate in such project.

**APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA,
THIS _____ DAY OF _____, 2018.**

Dane Haygood, Mayor

ATTEST:

Candace G. Antinarella, City Clerk



Musco Finance, LLC
 100 1st Avenue West
 Oskaloosa, IA 52577
 Phone: 800-825-6020
 Fax: 641-673-6360

Lease Purchase Proposal

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City, State Daphne, AL	
Contact Person: Jeremy Sasser	Sales Rep: Jimmy Jumper
Project Name: Daphne Park Drive Complex	Project # 169847

	Option 1	Option 2	Option 3	Option 4
Estimated Equipment Cost	\$1,623,000.00	\$1,623,000.00	\$1,623,000.00	\$1,623,000.00
Down-payment (Due with Order)	\$811,500.00	\$811,500.00	\$811,500.00	\$811,500.00
Total Amount Financed	\$811,500.00	\$811,500.00	\$811,500.00	\$811,500.00
Term of Contract (Years)	3	5	7	10
Interest Rate (Annual)	3.95%	3.95%	4.45%	4.95%
Payments per Year	1	1	1	1
Payment Amount	\$284,799.95	\$177,569.17	\$133,817.19	\$101,934.16
Number of Payments	3	5	7	10

- At the end of the term, clear title passes with the completion of payments.
- Amount does not include sales tax. Proof of exemption is required.
- Down payment is due with the signed lease agreement.
- \$500.00 Contract Closing Fee due at lease signing.
- Proposal assumes first payment is due October 15, 2018.

The interest rate quoted is based on current market rates and will be adjusted when the lease closes. The lease must qualify for "Federal Income Tax Exempt" status for the Lessor as defined by Section 265(b)(3)(B) of the Internal Revenue Code of 1986*.

This proposal is subject to acceptance of documentation and credit approval. The finance agreement is to be executed within 14 days of the execution of the equipment purchase contract.

Required information may include three years audited financial statements, current year's budget, and most current quarter interim profit and loss statement. Additional information may be requested.

*Lessee must certify that it reasonably anticipates that it and all of its subordinate entities will not issue more than \$10,000,000 of "qualified tax-exempt obligations during the calendar year in which the Lease is executed. The interest rate may vary if this is not the case.

**CITY OF DAPHNE, ALABAMA
ORDINANCE # 2018-29**

**Appropriation: Police Equipment for adding three (3) additional School Resource Officers
to the City of Daphne Schools**

WHEREAS, Ordinance 2017-77 approved and adopted the Fiscal Year 2018 Budget on October 2, 2017; and

WHEREAS, subsequent to the adoption of the Fiscal Year 2018 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2018 budget; and

WHEREAS, the City of Daphne recognizes the importance of local schools and the safety of the school personnel and students attending these local schools; and

WHEREAS, due to recent occurrences additional school resource officers are needed to assist with increasing safety at local schools; and

WHEREAS, the Baldwin County School Board will provide a \$50,000 stipend for each SRO officer the City of Daphne places in local schools; and

WHEREAS, additional monies in the amount of \$202,343 needs to be appropriated to provide vehicles, equipment, and training to hire and place three new School Resource Officers at local schools.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, that

- 1). Three (3) additional School Resource Officer positions are authorized for FY2018.
- 2). Funds in the amount of **\$202,343 from the General Fund** are appropriated and made a part of the Fiscal Year 2018 budget for the additional cost for the vehicles, equipment, and training for three new School Resource Officers.
- 3). the Mayor is hereby authorized to execute any and all documents required in order for the City of Daphne to participate with Baldwin County Board of Education in placing three additional School Resource Officers in Daphne Schools.

**APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA,
THIS _____ DAY OF _____, 2018.**

Dane Haygood, Mayor

ATTEST:

Candace G. Antinarella, City Clerk