

OFFICIAL PROCEEDINGS  
CITY OF MORGAN CITY  
JANUARY 23, 2024

The Mayor and City Council of Morgan City, Louisiana, met at 6:00 pm (local time) in regular session, this date, in the City Court Building, Highway 182 East, Morgan City, Louisiana.

There were present: Honorable Lee Dragna, Mayor; and Council Members Ron Bias, Steve Domangue, Tim Hymel, Mark Stephens and Louis J. Tamporello, Jr.

Absent: None

Also present were Mr. Charlie Solar, Jr., Chief Administrative Officer and Mr. Paul Landry, City Attorney.

The invocation was given by Reverend Wendell Howse.

There was no Positive Image recipient for the month of January.

Mr. Bryce Merrill told the Council that the 2024 Diver Rally was scheduled for April 26-27, 2024. He said that they were trying to keep the younger generations involved so now called it a rally instead of a reunion. There would be a crawfish boil that would be \$35 per person and all proceeds would go to the scholarship fund. He stated that three \$1,000 scholarships had been awarded for the diving program at South Louisiana Community College. A \$20,000 endowment had been given to the school to use for the diving program, and that amounts should be matched by the state. He said there is \$10,000 left in the account and after the rally this year, another \$20,000 endowment would be given to the school. Mr. Merrill wanted to advise the Mayor and Council that the Historical Diving Society based in the UK presented the Icon Heritage Award to Mr. Micah Allen, Virgil Allen, Rusty Vilas and himself for their work with the Oilfield Divers Monument.

Mr. Clarence Robinson with the Morgan City Housing Authority presented the City with the 2023 PILOT payment. He stated that the relationship between the Housing Authority and the City had been going on for 11 years, and was a benefit to both agencies. He said that \$700,000 had been paid to the City in utilities in 2023. They were currently at 96% occupancy and had to remain there to continue receiving the additional funding. Mr. Tamporello thanked Mr. Robinson for the fantastic job he was doing. Mayor Dragna said that in the three years he had been Mayor, every time he called Mr. Robinson, he was already aware of the problem and in the process of resolving it. He thanked Mr. Robinson for his hard work.

Mr. Leon Gisclair addressed the Council regarding a thesis film he was working on as a graduate student at the University of New Orleans. He requested to use certain areas of the City for filming during a six day period, one of the areas being Lawrence Park. He stated he planned to work closely with the Morgan City Police Department for any street closures that would be needed. There would be about twenty people staying in town at the Clarion Inn February 23-25, 2024, and March 1-3, 2024. He planned to premiere his movie at the New Orleans Film Festival at UNO in October. Mr. Hymel suggested that he get in touch with Mattison LeBlanc who had recently filmed a movie in town for suggestions that could be helpful to him. A motion to allow Mr. Gisclair to film in various places within the City was made by Mr. Hymel, seconded by Mr. Tamporello, and voted unanimously in favor.

Ms. Vanessa Spinella, Main Street Director, requested approval for three Main Street events scheduled for April. The Sunsets with a View would take place every Wednesday in April and take place near the wharf. Café Jojo's would offer appetizers and drinks for sale. On Thursdays in April, they would partner with St. Mary Excel and have community bike rides. Historic facts about downtown would be shared during the ride. Friday nights in April an event called Rockin the Dock would take place, depending on weather. They currently had three event sponsors and were looking for one more. Ms. Spinella said a possible brick border fundraiser around a permanent dance floor at Lawrence Park was being looked into.

Mr. Mac Wade with the Port of Morgan City gave the Mayor and Council an update on port operations. He said that the current river conditions were the best ever and business in our area was good because of the river depth. Funding was already in place for 2025 and 2026. The dredge had moved close to 300 million yards of material in

the past four years and in October a new contract was signed that covers the next four years. A \$6.5 million expansion at the Port was just completed, \$5 million funded by the LA DOTD Port Priority Program with the other \$1.5 million funded by the port. They were currently in the engineering, design and permitting phase for a \$30 million West dock expansion that would go out for bid in April or May. \$15 million of that would also come from LA DOTD Port Priority Program.

Mr. Barry Walker addressed the council regarding the sale of food at the Morgan City Junior High School on Sunday, February 11, 2024, during the parade. The proceeds from the sale would go to his church, New Zorah. Mayor Dragna told him that the property belonged to the St. Mary Parish School Board and they would have to grant permission to use the property. A motion to allow Mr. Walker to sell food at the junior high after receiving permission from the St. Mary Parish School Board was made by Pastor Bias, seconded by Mr. Hymel, and voted unanimously in favor.

Mr. Alvin Irvin with New Zorah Baptist Church requested permission to use the area under the US 90 Bridge from Federal Avenue to Third Street on Saturday, May 4, 2024, from 10 AM to 6 PM to hold their second annual Gospel Fest. He said they would need to start setting up on Friday, May 3. A motion to allow the use of the area under the US 90 Bridge on May 3 and May 4, 2024, to hold the second annual Gospel Fest was made by Pastor Bias, seconded by Mr. Stephens, and voted unanimously in favor.

Mr. Dwayne Barbier with Morgan City Recreation Department and Mrs. Casey with the Neuro Inclusive Community Festival requested permission to hold the first annual festival tentatively on March 23, 2024, from 10 AM to 4 PM at the Judges Stand on Lake End Parkway. Pastor Bias made a motion to allow the Neuro Inclusive Community Festival on March 23, 2024, seconded by Mr. Domangue, and voted unanimously in favor.

The next matter on the agenda was the Mayor's update. Mayor Dragna stated that he missed the December meeting due to illness and thanked everyone for their prayers. He stated that the Christmas Festival was amazing and wanted to let everyone involved know that they did a fine job.

The minutes of the December 19, 2023 meeting were submitted. There being no corrections, additions, or deletions, a motion to approve the minutes was made by Pastor Bias, seconded by Mr. Domangue, and voted unanimously in favor.

Mrs. Deborah Garber, Finance Director, submitted the following financial statement for the period ending December 31, 2023.

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#### MONTHLY FINANCIAL STATEMENTS

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**DATE:** January 23, 2024  
**TO:** Mayor and Council  
**FROM:** Deborah Garber  
**RE:** Comments related to summary of revenues and expenses compared to budget for the period ended December 31, 2023.

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Attached is a summary that compares our actual revenues and expenses to our original operational budget for our major funds subject to budgetary control for the period ending December 31, 2023. The following comments are related thereto:

**General and Ancillary Funds:** The actual total revenues are over budget by \$937,277. A few of the main overages are as follows:

Sales taxes	225,000
Occupational licenses	124,000
Fines	167,000
Lake End Park/Parkway	95,000

Operating expenses are below budget by \$752,731. The net loss of \$3,583,223 is a favorable variance of \$1,377,204 compared to the original budget.

**Utility Fund:** Revenues remain under budget by \$3,620,046 with operating expenses are also under budget \$3,088,679. The cost of purchased power remains considerably under budget \$2,883,047. The net income of \$5,569,334 creates a favorable budget variance in the amount of \$268,282 which is a \$600,000 improvement over last month.

**Sanitation and Sewer Fund:** This month's figures remain static with revenues \$145,992 under budget and operating expenses under budget \$387,620. The net loss of \$576,143 leaves another favorable budget variance of \$203,145.

Respectfully submitted,  
/s/ Deborah Garber  
Deborah Garber  
Finance Director

**CITY OF MORGAN CITY**  
**CONSOLIDATED STATEMENT**  
Actual Revenues and Expenses Compared to Budget  
Period Ended December 31, 2023

	DECEMBER 2023	DECEMBER 2023	VARIANCE
	ACTUAL	BUDGET	
<b>GENERAL AND ANCILLARY FUNDS</b>			
<b>REVENUES</b>			
General Fund	9,207,541	8,456,834	750,707
Recreation Fund	101,632	56,100	45,532
Library Fund	17,551	14,005	3,546
Auditorium Fund	372,708	323,422	49,286
Lake End Park Fund	953,729	853,280	100,449
Cemetery			
Fund	199,478	175,000	24,478
State Prisoner Fund	215,779	252,500	(36,721)
Total Revenues	10,653,161	9,703,641	937,277
<b>EXPENSES-OPERATIONAL</b>			
General Fund	11,382,660	11,656,530	(273,870)
Recreation Fund	560,838	613,635	(52,797)
Library Fund	96,130	119,453	(23,323)
Auditorium Fund	474,136	504,783	(30,647)
Lake End Park Fund	843,855	1,057,286	(213,431)
Cemetery			
Fund	222,795	298,717	(75,922)
State Prisoner Fund	655,970	738,711	(82,741)
Total Expenses	14,236,384	14,989,115	(752,731)
Net Excess(Deficit)	(3,583,223)	(5,285,474)	1,690,008
<b>TRANSFERS</b>			
Transfers from Funds	4,066,495	4,663,500	(597,005)
Transfers to Funds	(1,101,042)	(1,373,000)	271,958
Net Transfers	2,965,453	3,290,500	(325,047)
<b>EXCESS NET OF TRANSFERS</b>	<b>(617,770)</b>	<b>(1,994,974)</b>	<b>1,377,204</b>
<b>UTILITY FUND</b>			
Total			
Revenues	23,873,212	27,493,258	(3,620,046)
Total Expenditures	18,303,878	21,392,557	(3,088,679)
Net Excess(Deficit)	5,569,334	6,100,701	(531,367)
Net Transfers and non-oper.	(2,676,701)	(3,476,350)	799,649
Excess net of transfers	2,892,633	2,624,351	268,282
<b>SANITATION AND SEWER FUND</b>			
Total			
Revenues	3,161,860	3,307,852	(145,992)
Total			
Expenses	3,738,003	4,125,623	(387,620)
Net Excess(Deficit)	(576,143)	(817,771)	241,628
Net Transfers/non-operating expenses	670,516	708,999	(38,483)
Excess net of transfers and non-operating	94,373	(108,772)	203,145

A motion to accept the financial statement was made by Mr. Stephens, seconded by Pastor Bias, and voted unanimously in favor.

The next matter on the agenda was Condemnation and Demolition report. Mr. Pete Lawton stated that the property at 913 Garden Street had been in disrepair for years. The owner, Guy Cannata, had been sent notices over several years and had never responded. A motion to proceed with the Condemnation and Demolition of 913 Garden Street was made by Mr. Domangue, seconded by Mr. Stephens, and voted unanimously in favor.

The next matter on the agenda was the selection of the Mayor Pro Tempore; whereupon,

Mr. Tamporello offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 24-01

WHEREAS, by Ordinance 01-3, the council approved a change to the charter to provide for the annual selection of the mayor pro-tempore by a majority vote of the council, said selection to be made at the first meeting in January of each year, and

WHEREAS, this home rule charter amendment, in an election held on October 12, 2002, was approved by a majority vote of the qualified electors voting in this election.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that Mr. Tim Hymel is hereby selected as Mayor Pro-tempore of the City Council for the year 2024.

Pastor Bias seconded the motion.

The vote thereon was as follows:

AYES: Tamporello, Bias, Domangue, Hymel, Stephens

NAYS: None

ABSENT: None

The resolution was therefore declared approved and adopted this 23<sup>rd</sup> day of January, 2024.

/s/ Lee Dragna  
Lee Dragna  
Mayor

ATTEST:

/s/ Debbie Harrington  
Debbie Harrington  
Clerk

Mayor Dragna said that the auditors needed to be engaged for the yearly audit; whereupon,

Mr. Tamporello offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 24-02

WHEREAS, the firm of Kolder, Champagne, Slaven and Company, LLC submitted an agreement letter for the examination of the financial statements of the City of Morgan City for the year ending December 31, 2023, and

WHEREAS, said agreement letter must be approved by the Louisiana Legislative Auditor,

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that the Mayor, be and he is hereby authorized, empowered, and directed to execute the letter agreement between the City and Kolder, Champagne, Slaven and Company, LLC for the purpose of conducting an examination of the City's financial statements for the year ending December 31, 2023.

Mr. Stephens seconded the motion.

The vote thereon was as follows:

AYES:	Tamporello, Stephens, Bias, Domangue, Hymel
NAYS:	None
ABSENT:	None
ABSTAIN:	None

The resolution was therefore declared approved and adopted this 23d day of January, 2024.

/s/ Lee Dragna  
Lee Dragna  
Mayor

ATTEST:

/s/ Debbie Harrington  
Debbie Harrington  
Clerk

The next matter on the agenda was to authorize the signature of the amendment to the Engineering agreement for the water plant. Mayor Dragna stated that this had to be done for the State Bond Commission; whereupon,

Mr. Stephens offered the following Resolution, who moved for its adoption.

RESOLUTION NO. R: 24-03

WHEREAS, by Resolution R: 22-15 dated March 22, 2022, the City entered into an Engineering Agreement with the Professional Engineering and Environmental Consultants, Inc. (PEEC) for the Engineering Design, Construction Observation, and Project Implementation Services for Water Rehab Projects, and

WHEREAS, an amendment to the agreement is required by LDH-OPH/DWRLF to provide for Design of the Water Treatment System including filters and additional clarifier.

NOW THEREFORE BE IT RESOLVED, by the City Council, the governing authority of the City of Morgan City, that the Mayor, be and he is hereby authorized, empowered, and directed to execute the amendment to the Engineering Agreement.

Mr. Tamporello seconded the motion.

The vote thereon was as follows:

AYES: Stephens, Tamporello, Bias, Domangue, Hymel

NAYS: None

ABSENT: None

The resolution was therefore declared approved and adopted this 23<sup>rd</sup> day of January, 2024.

/s/ Lee Dragna  
Lee Dragna  
Mayor

ATTEST:

/s/ Debbie Harrington  
Debbie Harrington  
Clerk

Mayor Dragna read aloud regarding no petition to the Bond Ordinance; whereupon,

The following resolution was offered by Pastor Bias and seconded by Mr. Stephens:

RESOLUTION NO. R:24-04

A resolution finding and determining that no petition has been filed objecting to the proposed issuance of Taxable Utilities Revenue Bonds of the City of Morgan City, State of Louisiana, in an amount not to exceed Seven Million Dollars (\$7,000,000); authorizing the officials of the City to proceed with the preparation of the documents required for the issuance of the Bonds; and providing for other matters in connection therewith.

WHEREAS, on November 28, 2023, the Morgan City Council (the "Governing Authority"), acting as the governing authority of the City of Morgan City, State of Louisiana (the "City"), adopted a resolution declaring its intention to issue not to exceed Seven Million Dollars (\$7,000,000) of Taxable Utilities Revenue Bonds of the City (the "Bonds"), in compliance with the provisions of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act"), to mature over a period of time not to exceed thirty (30) years from the date of their issuance and bear interest at a rate or rates not exceeding 2.45% per annum: and

WHEREAS, the Governing Authority authorized the publication of a Notice of Intention in connection with the issuance of the Bonds; and

WHEREAS, the Notice of Intention was published once a week for four (4) consecutive weeks in the Morgan City Review, a newspaper of general circulation in and the official journal of the City, namely on December 1, 8, 15, and 22, 2023; and

WHEREAS, said Notice of Intention included a general description of the Bonds and the security therefor and set forth a date and time (January 23, 2024, at six o'clock (6:00) p.m.) when the Governing Authority would meet in open and public session to receive any petitions or hear any objections to the proposed issuance of the Bonds without the holding of an election thereon; and

WHEREAS, on said date and time a public hearing was held and no one offered any objections of any kind to the issuance of the Bonds or presented or had filed any petition pertaining to the issuance of the Bonds; and

WHEREAS, it is now the desire of the Governing Authority to authorize such further action as may be required to proceed with the issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Morgan City Council, acting as the governing authority of the City, that:

SECTION 1) All of the findings of fact made and set forth in the preambles to this resolution are hereby declared to be true and correct and are adopted as if fully set forth herein, and it is hereby further found and determined that the City, acting through the Governing Authority, is authorized to issue not exceeding Seven Million Dollars (\$7,000,000) of Taxable Utilities Revenue Bonds of the City, in one or more series, in accordance with the Act and the aforesaid Notice of Intention issued pursuant thereto, without the necessity of the holding of an election on the question of the issuance of such Bonds. The Bonds shall mature at such time or times (not to exceed thirty (30) years from their date of issuance), and bear interest at such rate or rates not exceeding 2.45% per annum, and contain such other provisions as a subsequent ordinance of the Governing Authority may provide.

SECTION 2) The appropriate officers of the Governing Authority shall proceed with the preparation of the necessary documents and the taking of the necessary steps to issue the Bonds, all subject to such further approvals of this Governing Authority as may be appropriate or desirable.

This resolution having been submitted to a vote, the vote thereon was as follows:  
YEAS: Bias, Stephens, Domangue, Hymel, Tamporello  
NAYS: None  
ABSENT: None

And the resolution was declared adopted on this, the 23<sup>rd</sup> day of January, 2024.

/s/ Debbie Harrington  
Debbie Harrington, Clerk

/s/ Lee Dragna  
Lee Dragna, Mayor

The first reading of the Redistricting Ordinance was the next matter on the agenda. No definitive action was necessary.

Mayor Dragna said that some questions had come up regarding Section 126-47. This could be interpreted several different ways and he wanted to clean up the ordinance to be clearer to everyone. He urged the Council to look into it and the three suggested interpretations before the ordinance was up for adoption at the February meeting. This was a first reading. No definitive action was necessary.

The public hearing for the Issuance of \$7,000,000 taxable utilities bonds was opened. No one appeared for or against said ordinance; whereupon,

The following ordinance having been introduced at a meeting held on December 19, 2023, notice of its introduction having been published in the official journal and a public hearing having been held thereon on this date, was offered for final adoption by Mr. Hymel and seconded by Mr. Domangue:

ORDINANCE NO. 24-01

An ordinance authorizing the issuance by the City of Morgan City, State of Louisiana, of its Taxable Utilities Revenue Bonds (LDH) in an amount not to exceed Seven Million Dollars (\$7,000,000), prescribing the form, terms and conditions of said Bonds; providing for the payment thereof; entering into

certain other covenants and agreements in connection with the security and payment of said Bonds; authorizing the execution of a Loan and Pledge Agreement and other loan documents with the Louisiana Department of Health; providing for the delivery of the Bonds to said Department; and providing for other matters in connection therewith.

WHEREAS, the City of Morgan City, State of Louisiana (the "City"), now owns and operates a combined utility system comprised of the electric light and power plants and systems, the drinking water plants and systems, and the natural gas transmission and distribution plants and systems (collectively, the "System") as a single revenue-producing work of public improvement, and proposes to construct and acquire improvements, extensions, and replacements to the drinking water component of the System, including equipment and fixtures therefor, a work of public improvement for the City (the "Project"); and

WHEREAS, the Morgan City Council (the "Governing Authority"), acting as the governing authority of the City, proposes that bonds be issued by the City for the purpose of paying a portion of the costs of the Project, in the manner prescribed by and under the authority of Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (the "Act"), to be payable solely from the income and revenues derived or to be derived from the operation of the System, after provision has been made for payment therefrom of all reasonable and necessary expenses of operating and maintaining the System (the "Net Revenues"); and

WHEREAS, pursuant to the authority of the Act, the Governing Authority, by a resolution adopted on November 28, 2023, gave notice of its intention to issue Taxable Utilities Revenue Bonds of the City in an amount not exceeding \$7,000,000, which notice of intention was published on December 1, 8, 15, and 22, 2023, and thereafter this Governing Authority held a public hearing on January 23, 2024 at which no objections were made to the issuance of such bonds and no petitions were filed requesting an election thereon; and

WHEREAS, it is now the wish of the City to authorize the issuance of its Taxable Utilities Revenue Bonds (LDH), Series 2024, in an amount not to exceed Seven Million Dollars (\$7,000,000) (the "Bonds") in accordance with the terms and provisions of the Act and for the purposes set forth above; and

WHEREAS, the City has no outstanding bonds or other obligations of any kind or nature payable from or enjoying a lien on the Net Revenues, except its outstanding Utilities Revenue Bonds, Series 2009B (the "Outstanding Parity Bonds"); and

WHEREAS, the United States of America, pursuant to the Safe Drinking Water Act Amendments of 1996, specifically Section 300j-12 of Title 42 of the United States Code (the "Federal Act"), is authorized to make capitalization grants to states to be used for the purpose of providing loans or loan guarantees, or as a source of reserve and security for leveraged loans, the proceeds of which are deposited in a state revolving fund, or to provide other financial assistance authorized under the Federal Act to community water systems and nonprofit non-community water systems, other than systems owned by Federal agencies; and

WHEREAS, the State of Louisiana (the "State"), pursuant to Chapter 32 of Title 40 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 40:2821, et seq.) (the "State Act"), has established a Drinking Water Revolving Loan Fund (the "State Loan Fund") in the custody of the Louisiana Department of Health (the "Department") to be used for the purpose of providing financial assistance for the improvement of public drinking water systems in the State, as more fully described in Section 2825(A)(2) of the State Act, and has authorized the Department's Office of Public Health to establish assistance priorities and perform oversight and other related activities with respect to the State Loan Fund; and

WHEREAS, the City has made application to the Department for a loan from the State Loan Fund to finance a portion of the costs of the Project, and the Department has approved the City's application for such loan; and

WHEREAS, the Bonds will be issued to represent the City's obligation to repay the loan from the State Loan Fund; and

WHEREAS, the City desires to fix the details necessary with respect to the issuance, sale and delivery of the Bonds and to provide for the authorization and issuance thereof, as



hereinafter provided.

NOW, THEREFORE, BE IT ORDAINED by the by the Morgan City Council, acting as the governing authority of the City, that:

Definitions. As used herein, the following terms shall have the following meanings, unless the context otherwise requires:

"Act" means Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

"Additional Parity Bonds" means any pari passu additional bonds that may hereafter be issued pursuant to Section 18 hereof on a parity with the Bonds.

"Administrative Fee" means the annual fee equal to one-half of one percent (0.50%) per annum of the outstanding principal amount of the Bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in semi-annual installments on each Interest Payment Date.

"Bond" or "Bonds" means the City's Taxable Utilities Revenue Bonds (LDH), authorized to be issued pursuant to this Bond Ordinance in the total principal amount of not exceeding Seven Million Dollars (\$7,000,000), and any Bond of said issue, whether initially delivered or issued in exchange for, upon transfer of, or in lieu of any previously issued Bond.

"Bond Ordinance" means this ordinance authorizing the issuance of the Bonds.

"Bond Register" means the registration books of the Paying Agent, in which registration of the Bonds and transfers of the Bonds shall be made as provided herein.

"Bond Year" means the one-year period ending on each Principal Payment Date.

"Business Day" means a day of the year on which banks located in the City of New Orleans are not required or authorized to remain closed and on which the New York Stock Exchange is not closed.

"City" means the City of Morgan City, State of Louisiana, a political subdivision of the State of Louisiana, and its successors or assigns.

"Completion Date" means the earlier of (i) the date of the final disbursement of the purchase price of the Bonds to the City, or (ii) the date the operation of the Project is initiated or capable of being initiated, as certified by an Authorized Officer in accordance with the Loan Agreement.

"Consulting Engineer" means a regionally known consulting engineer or firm of consulting engineers with skill and experience in the construction and operation of publicly owned drinking water and wastewater disposal systems.

"Department" means the Louisiana Department of Health, an executive department and agency of the State, and any successor to the duties and functions thereof with respect to the State Loan Fund.

"Executive Officers" means, collectively, the Mayor and the Clerk of the Council.

"Fiscal Year" means the City's one-year accounting period determined from time to time by the Governing Authority as the fiscal year of the City, currently being the year ending each December 31.

"Governing Authority" means the Morgan City Council, or its successor in function.

"Government Securities" means direct obligations of, or obligations the timely payment of the principal of and interest on which are fully and unconditionally guaranteed by the United States of America, which are non-callable prior to their maturity and may be United States Treasury Obligations such as the State and Local Government Series and may be in book entry form.

"Interest Payment Date" means each June 1 and December 1, commencing on the first such date to occur following the delivery of the Bonds.

"Loan" means the loan made by the Department from the Drinking Water Revolving Loan Fund to the District pursuant to the Loan Agreement, the obligation to repay which Loan is evidenced by the Bonds.

"Loan Agreement" means the Loan and Pledge Agreement to be entered into by and between the Department and the City prior to the delivery of the Bonds, in substantially the form presently on file with the Governing Authority, which will contain certain additional agreements relating to the Bonds and the Project, as it may be supplemented or amended from time to time in accordance with the provisions thereof.

"Net Revenues" means the income and revenues to be derived from the operation of the System, after provision has been made for payment therefrom of the reasonable and necessary expenses of operating and maintaining the System.

"Outstanding" when used with respect to Bonds means, as of the date of determination, all Bonds and portions thereof theretofore issued and delivered under this Bond Ordinance, except:

(a) Bonds theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds for whose payment or prepayment sufficient funds have been theretofore deposited in trust for the Owners of such Bonds as provided in Section 26 herein provided that, if such Bonds are to be prepaid, irrevocable notice of such redemption has been duly given or provided for pursuant to this Bond Ordinance, to the satisfaction of the Paying Agent, or waived;

(c) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered pursuant to this Bond Ordinance; and

(d) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in this Bond Ordinance.

"Outstanding Parity Bonds" means the City's outstanding Utilities Revenue Bonds, Series 2009B.

"Outstanding Parity Bond Ordinance" means the ordinance adopted by the Governing Authority authorizing the issuance of the Outstanding Parity Bonds.

"Owner" or "Owners" when used with respect to any Bond means the Person in whose name such Bond is registered in the Bond Register.

"Paying Agent" means the Clerk of the Council, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to this Bond Ordinance.

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

"Principal Payment Date" means each December 1, commencing not later than one year after the Completion Date provided that in no event shall the final maturity of the Bonds be more than thirty (30) years from the date of the Bonds.

"Purchaser" means the Department, being the original purchaser of the Bonds.

"Project" means, collectively, one or more public works projects of the City to construct and acquire improvements, extensions, and replacements to the drinking water component of the System, including equipment and fixtures therefor, a work of public improvement for the City, as further described in the Loan Agreement.

"Qualified Investments" means those investments permitted under State law, including but not limited to La. R.S. §33:2955.

"Record Date" for the interest payable on any Interest Payment Date means the 15th calendar day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day.

"Reserve Fund Requirement" with respect to the Bonds, means as of any date of calculation, a sum equal to one-half of the maximum principal and interest requirements for any succeeding Bond Year on the Bonds. The Reserve Fund Requirement for any issue(s) of Additional Parity Bonds shall be defined in the ordinance(s) authorizing the issuance of such Additional Parity Bonds.

"Series 2024 Reserve Fund Account" shall have the meaning given such term in Section 14 hereof.

"State" means the State of Louisiana.

"State Loan Fund" means the Drinking Water Revolving Loan Fund established by the State pursuant to Chapter 32 of Title 40 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 40:2821, et seq.) in the custody of the Department, which is to be used for the purpose of providing financial assistance for the improvement of public drinking water systems in the State, as more fully described in La. R.S. 40:2825(A)(2).

"System" means the revenue producing combined utility system comprised of the electric light and power plants and systems, the drinking water plants and systems, and the natural gas transmission and distribution plants and systems, as said system now exists and as it may be hereafter improved, extended or supplemented while any of the Bonds herein authorized remain outstanding, including specifically all properties of every nature owned, leased or operated by the City and used or useful in the operation of said revenue producing utility, and including real estate, personal and intangible properties, contracts, franchises, leases and choses in action, whether lying within or without the boundaries of the City.

Authorization of Bonds. In compliance with and under the authority of the Act, and subject to the approval of the State Bond Commission, there is hereby authorized the incurring of an indebtedness of not exceeding Seven Million Dollars (\$7,000,000) for, on behalf of and in the name of the City, for the purpose of financing the Project and for paying costs of issuance of the Bonds. To represent said indebtedness, the City does hereby authorize the issuance of its "Taxable Utilities Revenue Bonds (LDH), Series 2024," in an amount not to exceed Seven Million Dollars (\$7,000,000). The Bonds shall be initially issued in the form of a single, fully registered Bond numbered R-1, shall be dated the date of delivery thereof and shall be in substantially the form attached hereto as Exhibit A. It is expressly provided that if the Bonds are delivered in a calendar year other than 2024, the series designation shall change accordingly on the Bonds and throughout this Bond Ordinance.

The Bonds shall mature in twenty-nine (29) installments of principal, payable annually on each Principal Payment Date, and each annual installment shall be due as set forth in the Loan Agreement and the Bond.

The unpaid principal of the Bonds shall bear interest from the date thereof, or the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate of 1.95% per annum, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on each Interest Payment Date. Interest on the Bonds on any Interest Payment Date shall be payable only on the aggregate amount of the purchase price which shall have been paid theretofore to the City and is outstanding and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

In addition to interest at the rate set forth above, at any time that the Department owns the Bonds the City will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any Bonds or the Department has pledged or assigned any Bonds in connection with the State Loan Fund and (ii) the Administrative Fee payable by the City to the Department under the terms of the Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability. The Administrative Fee shall be calculated in the same manner as interest on the Bonds.

Prepayment. The principal installments of the Bonds are subject to prepayment at the option of the City at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date and in such case the remaining principal of the Bonds shall continue to mature in installments calculated

using the percentages shown in Section 2 above. Official notice of such call for prepayment shall be given by means of first-class mail, postage prepaid by notice deposited in the United States Mail or via accepted means of electronic communication not less than thirty (30) days prior to the prepayment date addressed to the Owner of each Bond to be prepaid at his address as shown on the registration records of the Paying Agent. In the event a portion of the Bonds is to be prepaid, such Bonds shall be surrendered to the Paying Agent, who shall note the date and amount of such prepayment in the space provided therefor on the Bonds.

**Security for Payment of Bonds.** The Bonds, equally with the Outstanding Parity Bonds, shall be secured and payable in principal and interest exclusively by a pledge of the Net Revenues. The Net Revenues are hereby irrevocably and irrevocably pledged in an amount sufficient for the payment of the Bonds and the Outstanding Parity Bonds in principal and interest as the installments thereof fall due, and the income and revenues thus pledged shall remain so pledged for the security of the Bonds and the Outstanding Parity Bonds in principal and interest until they shall have been fully paid and discharged.

In providing for the issuance of the Bonds, the City does hereby covenant and warrant that it is lawfully seized and possessed of the System, that it has a legal right to pledge the Net Revenues therefrom as herein provided, that the Bonds will have a lien and privilege on the Net Revenues, and that the City will at all times maintain the System in first-class repair and working order and condition.

This Governing Authority finds and determines that the parity requirements of the Outstanding Parity Bond Ordinance have been or will be satisfied and/or waived by the registered owners of the Outstanding Parity Bonds. Furthermore, the City will comply with the parity requirements outlined in the Outstanding Parity Bond Ordinance and/or will provide a certificate at or prior to closing as may be required.

**Bond Ordinance a Contract.** The provisions of this Bond Ordinance shall constitute a contract between the City and the Owner from time to time of the Bonds, and any Owner may either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by the City as a result of issuing the Bonds.

Notwithstanding the foregoing, no member of the Governing Authority or any officer or employee of the City, or any person executing the Bonds shall be personally liable on the Bonds.

**Sale and Delivery of Bonds.** The Bonds are hereby awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution the Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the City of the agreed first advance of the purchase price of the Bonds. Pursuant to La. R.S. 39:505(B), the City has determined to sell the Bonds at a private sale without necessity of publication of a notice of sale. It is understood that the purchase price of the Bonds will be paid by the Department to the City in installments, and a portion of the principal amount advanced by the Department may be forgiven by the Department, each in the manner and under the terms and conditions set forth in the Loan Agreement.

**Manner of Payment.** The principal and interest on the Bonds will be payable by check mailed to the Owner (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent for such purpose, provided that payment of the final installment of principal on the Bonds shall be made only upon presentation and surrender of the Bonds to the Paying Agent.

**Execution of Bonds and Documents.** The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of this Bond Ordinance, to execute and deliver the Loan Agreement, and to cause the Bonds to be prepared and/or printed, to issue, execute and seal the Bonds and to effect delivery thereof as hereinafter provided. If facsimile signatures are used on the Bonds, then such signatures shall be registered with the Louisiana Secretary of State in the manner required by La. R.S. 39:244.

In connection with the issuance and sale of the Bonds, the Executive Officers are each authorized, empowered and directed to execute on behalf of the City such additional documents, certificates and instruments as they may deem necessary, upon the advice of counsel, to effect the transactions contemplated by this Bond Ordinance, including a

Commitment Agreement with the Department. The signatures of said officers on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

Registration. The City shall cause the Bond Register to be kept at the principal office of the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as provided herein. The Bonds may be transferred, registered and assigned only on the Bond Register, and such registration shall be at the expense of the City. The Bonds may be assigned by the execution of an assignment form on the Bonds or by other instruments of transfer and assignment acceptable to the Paying Agent. A new Bond will be delivered by the Paying Agent to the last assignee (the new Owner) in exchange for such transferred and assigned Bond after receipt of the Bond to be transferred in proper form.

Effect of Registration. The City, the Paying Agent, and any agent of either of them may treat the Owner in whose name any Bond is registered as the Owner of such Bond for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes whatsoever, and to the extent permitted by law, neither the City, the Paying Agent, nor any agent of either of them shall be affected by notice to the contrary.

Recital of Regularity. This Governing Authority, having investigated the regularity of the proceedings had in connection with this issue of Bonds, 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."

Deposit of Bond Proceeds. The proceeds derived from the sale of the Bonds shall constitute a trust fund to be used exclusively for the purposes for which the Bonds are issued, but the purchaser of the Bonds shall not be obliged to see to the application thereof. All of the proceeds derived from the sale of the Bonds, which shall be paid in installments by the Department in the manner set forth in the Loan Agreement, shall be deposited by the City in a Construction Fund (the "Construction Fund"). The funds in the Construction Fund shall be used solely for the purpose of paying costs of the Project, in the manner set forth in the Loan Agreement, and costs of issuance of the Bonds.

Davis-Bacon Wage Rate Requirements. The City agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the project that is funded in whole or in part with the Bonds purchased by the Department shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the City as determined by the Clerk of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code. DOL provides all pertinent information related to compliance with the foregoing requirements, including prevailing wage rates and instructions for reporting. The City will ensure that all construction contracts relating to the portion of the Project that is funded in whole or in part with Bonds purchased by the Department will require that the contractor comply with the aforesaid wage and reporting requirements. This Section shall not apply to situations where the City may perform construction work using its own employees rather than any contractor or subcontractor.

Flow of Funds. The City covenants that all of the income and revenues earned or derived from the operation of the System shall continue to be deposited daily as the same may be collected in a separate and special bank account or accounts and known and designated as the "Revenue Fund" (the "Revenue Fund"), hereby created, and said Revenue Fund shall be maintained and administered in the following order of priority and for the following express purposes:

(a) The payment of all reasonable and necessary expenses of operating and maintaining of the System.

(b) The maintenance of the "Utilities Revenue Bonds Sinking Fund" (the "Sinking Fund"), heretofore established and maintained by the Outstanding Parity Bond Ordinance, sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds issued hereafter in the manner provided by this Bond Ordinance, as they severally become due and payable, by transferring from the Revenue Fund to the Sinking Fund, monthly in advance on or before the 20th day of each month of each year, a sum equal to the pro-rata amount of interest falling due on the Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds on the next Interest Payment Date and the pro-rata amount of the principal falling due on the

Bonds, the Outstanding Parity Bonds and any Additional Parity Bonds on the next principal payment date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively become due. The City shall transfer or cause to be transferred from the Sinking Fund to the paying agent(s) for all bonds payable from the Sinking Fund, at least one (1) day in advance of the date on which payment of principal or interest falls due, immediately available funds fully sufficient to pay promptly the principal and interest so falling due on such date.

If Additional Parity Bonds are hereinafter issued by the City in the manner provided in this Bond Ordinance, moneys in the Sinking Fund shall be equally available to pay principal and interest on such Additional Parity Bonds, and payments into the Sinking Fund shall be increased as provided in the resolution authorizing the issuance of such Additional Parity Bonds. Said fiscal agent bank shall transfer from the Sinking Fund to any paying agent or pay directly to the owner, for all bonds payable from the said Sinking Fund, at least one (1) day in advance of the date on which each payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and/or interest so falling due on such date.

(c) The maintenance of the "Utilities Revenue Bonds Reserve Fund" (the "Reserve Fund"), containing an account for the Bonds designated the "Series 2024 Reserve Fund Account" (or such other designation that will identify such account with the Bonds) which shall be funded monthly in advance on or before the 20th day of each month of each year, commencing with the month following the delivery of the Bonds, with a sum at least equal to at least twenty five percent (25%) of the amount to be paid into the Sinking Fund with respect to the Bonds, the payments into the Series 2024 Reserve Fund Account to continue until such time as there has been accumulated in the Series 2024 Reserve Fund Account a sum equal to the Reserve Fund Requirement. Moneys in the Series 2024 Reserve Fund Account shall be used only to secure and make payments solely on the Bonds (and not on any other issues) as to which there would otherwise be default.

In the event that Additional Parity Bonds are issued, then the City may establish additional accounts for each such series of Additional Parity Bonds if required in connection with the issuance of such Additional Parity Bonds, each such account to be designated as the "Series \_\_\_\_\_ Account." The money in the accounts of Reserve Fund shall be retained solely for the purpose of paying the principal of and interest on the respective series of bonds payable from the Sinking Fund as to which there would otherwise be default. With respect to accounts that may be required in connection with the issuance of Additional Parity Bonds, the City shall fund such accounts by transferring from the proceeds of such series or from the Revenue Fund (after making all required payments from said fund as hereinabove described), such amounts as will increase the total amount on deposit in each account in the Reserve Fund to a sum equal to the reserve fund requirement, if any, designated and established for such series of Additional Parity Bonds.

The City shall continue to maintain the Series 2009 Reserve Fund Account as required by the Outstanding Parity Bond Ordinance. Moneys in the Reserve Fund (other than the Series 2024 Reserve Fund Account) cannot be used to pay principal and interest falling due on the Bonds.

(d) The maintenance of the "Utilities Revenue Bonds Depreciation and Contingency Fund" (the "Contingencies Fund"), heretofore established and maintained by the Outstanding Parity Bond Ordinance, to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, by transferring from funds in the Revenue Fund after making the payments required by (a), (b) and (c) above to the Contingencies Fund monthly on or before the 20th day of each month of each year, a sum equal to five percent (5%) of the Net Revenues for the preceding month, provided that such sum is available after provision is made for the payments required under paragraphs (a), (b) and (c) above. Such payments into the Contingencies Fund shall continue for as long as the Outstanding Parity Bonds are outstanding; thereafter, such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of Fifty Thousand Dollars (\$50,000), in which event such payments shall be resumed and continue until said maximum amount is again accumulated. In addition to caring for extensions, additions, improvements, renewals and replacements necessary to properly operate the System, the money in the Contingencies Fund may also be used to pay the principal of and the interest on the Outstanding Parity Bonds and the Bonds for the payment of which there is not sufficient money in the Sinking Fund and/or the appropriate reserve account described in paragraphs (b) and (c) above, but the money in said Contingencies Fund shall never be used for the making of improvements and extensions to the System or for payment of principal or interest on Bonds if the use of said money will leave in said Contingencies Fund for the making of emergency repairs or

replacements less than the sum of Twenty-Five Thousand Dollars (\$25,000), and further provided that payments shall also be made into the Contingencies Fund in accordance with the Outstanding Parity Bond Ordinance to the extent that payments required in this paragraph (d) do not meet the requirements in said Outstanding Parity Bond Ordinance.

Any moneys remaining in the Revenue Fund each month after making the required payments described in (a), (b), (c) and (d) above for the current month and for prior months during which the required payments may not have been made, shall be considered as surplus. Such surplus may be used by the City for any lawful purpose, including retiring Bonds in advance of their maturities, either by purchase of Bonds then outstanding at prices not greater than the prepayment prices of said Bonds, or by redeeming such Bonds at the prices and in the manner set forth in this Bond Ordinance.

Replenishment of Funds. If at any time it shall be necessary to use moneys in any Reserve Account for the purpose of paying principal of or interest on bonds secured by such Reserve Account as to which there would otherwise be default, then the moneys so used shall be replaced from the Net Revenues first thereafter received, not hereinabove required to be used for the purposes described in (a) through (c) of Section 14 above. If more than one Reserve Account is required to be replenished, then such replenishment shall be made ratably to each such account in proportion to the remaining amount that is required to be so replenished, provided, however, that the City shall take all reasonable steps to ensure that the funds drawn from any Reserve Account are replenished not later than 24 months following such draw.

Notification of Deficiencies. As required by the Act and La. R.S. 39:1410.62, the City will notify the State Bond Commission, in writing, whenever (i) transfers to any fund required to be established by this Bond Ordinance or any resolution or ordinance authorizing the issuance of indebtedness of the City have not been made timely or (ii) principal, interest, or other payments due on the Bonds or any other outstanding indebtedness of the City have not been made timely.

Investments. All or any part of the moneys in the Revenue Fund and the Sinking Fund shall at the written request of this Governing Authority be invested in Qualified Investments and all of the moneys in the Reserve Fund shall be invested in Government Securities maturing in five (5) years or less, in which event all income derived from such investments shall be added to the Revenue Fund, with the exception that any interest earnings from invested funds of the Reserve Fund shall be retained therein until an amount equal to the applicable reserve fund requirement is on deposit therein, and such investments shall, to the extent at any time necessary, be liquidated and the proceeds thereof applied to the purposes for which the respective fund or account has been created.

Issuance of Additional Parity Bonds. All of the Bonds shall enjoy complete parity of lien on the revenues of the System despite the fact that any of the Bonds may be delivered at an earlier date than any other of the Bonds. The City shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the Net Revenues having priority over or parity with the Bonds and the Outstanding Parity Bonds, provided, however, that Additional Parity Bonds may hereafter be issued under the following conditions:

The Outstanding Parity Bonds and/or Bonds or any part thereof, including interest thereon, may be refunded and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Outstanding Parity Bonds and/or 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 Outstanding Parity Bonds and/or Bonds refunded, provided, however, that if only a portion of Outstanding Parity Bonds and/or Bonds outstanding is so refunded and the refunding bonds require total principal and interest payments during any Bond Year in excess of the principal and interest which would have been required in such Bond Year to pay the Outstanding Parity Bonds and/or Bonds refunded thereby, then such Outstanding Parity Bonds and/or Bonds may not be refunded without the consent of the Owners of the unrefunded portion of the Outstanding Parity Bonds and/or Bonds.

2. Additional Parity Bonds may also be issued on a parity with the Outstanding Parity Bonds and the Bonds if all of the following conditions are met:

- (a) The Net Revenues in the last completed Fiscal Year immediately preceding the issuance of such Additional Parity Bonds is equal to at least 125% of the highest combined principal and interest requirements on the

Outstanding Parity Bonds and the Bonds, including any other bonds then outstanding which are payable from the Net Revenues of the System (but not including bonds which have been refunded or provisions otherwise made for their full and complete payment and redemption), and the Additional Parity Bonds so proposed to be issued. In making the calculation required by this subparagraph (2)(a), if the City has adopted higher rates for services of the System on or before the date of issuance of the Additional Parity Bonds, then the calculation of Net Revenues for the last completed Fiscal Year may be made assuming such higher rates had been in effect during such period.

(b) There must be no delinquencies in payments required to be made into the various funds established by Section 14 hereof.

(c) The existence of the facts required by paragraphs (a) and (b) above must be determined and certified to by the Director of Finance of the Issuer.

(d) The proceeds of the Additional Parity Bonds must be used solely for the making of additions, improvements, extensions, renewals, replacements or repairs to the System, or for refunding prior bonds issued for such purposes.

(e) If required in connection with the issuance of the Additional Parity Bonds, the City shall make provisions in the ordinance(s) authorizing such Additional Parity Bonds for the establishment and funding of a separate account in the Reserve Fund with respect to such Additional Parity Bonds in accordance with Section 14(c) above.

(f) No Additional Parity Bonds may be issued should any event of default under this Bond Ordinance or the Outstanding Parity Bond Ordinance have occurred and be continuing.

Obligation to Fix Rates; Schedule of Rates and Charges. The City may alter, amend or repeal from time to time any resolutions or ordinances establishing a schedule of rates and charges for the services and facilities to be rendered by the System, said alterations, amendments or repeals to be conditioned upon the preservation of the rights of the owners of the Outstanding Parity Bonds and the Bonds with respect to the income and revenues of the System, not alone for the payment of the principal of and the interest on the Outstanding Parity Bonds and the Bonds, but to insure that the income and revenues of the System shall be sufficient at all times to fulfill the other provisions specified in Section 14 hereof. No discrimination shall be made as to rates and charges for the services and facilities of the System between users of the same type or class.

The City shall fix and maintain rates and collect charges for all services and facilities to be rendered by the System, irrespective of the user thereof, and no free services or facilities shall be furnished to any person, association of persons, or corporation, public or private, or even to the City itself, other than water delivered to fire hydrants for firefighting purposes.

The City further agrees that the failure of any individual, partnership, corporation or other entity to pay said charge for any service rendered by the System within fifteen (15) days of the date on which it is due shall cause such charge to become delinquent; that if such delinquent charge, with interest and penalties accrued thereon, is not paid within fifteen (15) days from the date on which it became delinquent, the City will take steps to cause water service to be shut off to the affected premises; and that the City and this Governing Authority and its officials, agents and employees will do all things necessary and will take advantage of all remedies afforded by law to collect and enforce the prompt payment of all charges made for services rendered by the System. All delinquent charges for service shall on the date of delinquency have added thereto a penalty of ten percent (10%) of the amount of the charge, and the amount so due, including the penalty charge, may, in the discretion of this Governing Authority, after ten (10) days from the date of the delinquency, bear interest at a reasonable rate to be established by the Governing Authority, which rate shall not be less than six per centum (6%) per annum. If services are discontinued as above provided, the customer shall, in addition to paying the delinquent charges, penalties and interest, pay as a condition precedent to the resumption of service a reasonable reconnection charge.

It is further understood and agreed that the schedule of rates, fees, rents and other charges being charged as of the date of the adoption of this Bond Ordinance for services



and facilities rendered by the System shall remain in effect and neither said existing schedule nor any subsequent schedule shall be reduced at any time unless all payments required for all funds by this Bond Ordinance, including any deficiencies for prior payments, have been fully made, and unless such schedule as so reduced will in each year thereafter produce sufficient revenues to meet and fulfill the other provisions stated and specified in Section 0 of this Bond Ordinance.

Rights of Owners; Appointment of Receiver in Event of Default. The Owners from time to time shall be entitled to exercise all rights and powers for which provision is made in the laws of the State. Any Owners or any trustee acting for such Owners in the manner hereinafter provided, may, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Bond Ordinance, and may enforce and compel the performance of all duties required by this Bond Ordinance, or by any applicable statutes to be performed by the City or by any agency, board or officer thereof, including the fixing, charging and collecting of rentals, fees or other charges for the use of the System and in general to take any action necessary to most effectively protect the right of the Owners.

In the event that default shall be made in the payment of the interest on or the principal of any of the Bonds as the same shall become due, or in the making of the payments into any of the funds or accounts described in Section 14 above, or any other payments required to be made by this Bond Ordinance, or in the event that the City or any agency, board, officer, agent or employee thereof shall fail or refuse to comply with the provisions of this Bond Ordinance or shall default in any covenant made herein, and in the further event that any such default shall continue for a period of thirty (30) days after written notice, any Owner or any trustee appointed to represent such Owners as hereinafter provided, shall be entitled to the appointment of a receiver of the System in an appropriate judicial proceeding in a court of competent jurisdiction.

The receiver so appointed shall forthwith directly or by his agents and attorneys, enter into and upon and take possession of the System, and each and every part thereof, and shall hold, operate and maintain, manage and control the System, and each and every part thereof, and in the name of the City shall exercise all the rights and powers of the City with respect to the System as the City itself might do. Such receiver shall collect and receive all rates, fees, rentals and other revenues, shall maintain and operate the System in the manner provided in this Bond Ordinance, and shall comply under the jurisdiction of the court appointing such receiver, with all of the provisions of this Bond Ordinance.

Whenever all that is due upon the Bonds and interest thereon, and under any covenants of this Bond Ordinance for reserve, sinking or other funds, and upon any other obligations and interest thereon, having a charge, lien or encumbrance upon the fees, rentals or other revenues of the System, shall have been paid and made good, and all defaults under the provisions of this Bond Ordinance shall have been cured and made good, possession of the System shall be surrendered to the City upon the entry of an order of the court to that effect. Upon any subsequent default, any Owner, or any trustee appointed for Owners as hereinafter provided, shall have the same right to secure the further appointment of a receiver upon any such subsequent default.

Such receiver, in the performance of the powers hereinabove conferred upon him by and under the direction and supervision of the court making such appointment, shall at all times be subject to the orders and decrees of such court and may be removed thereby and a successor receiver appointed in the discretion of such court. Nothing herein contained shall limit or restrict the jurisdiction of such court to enter such other and further orders and decrees as such court may deem necessary or appropriate for the exercise by the receiver of any function not specifically set forth herein.

Any receiver appointed as provided herein shall hold and operate the System in the name of the City and for the joint protection and benefit of the City and the Owners. Such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any property of any kind or character belonging or pertaining to the System but the authority of such receiver shall be limited to the possession, operation and maintenance of the System for the sole purpose of the protection of both the City and the Owners and the curing and making good of any default under the provisions of this Bond Ordinance, and the title to and the ownership of the System shall remain in the City, and no court shall have any jurisdiction to enter any order or decree permitting or requiring such receiver to sell, mortgage or otherwise dispose of any property of the System except with the consent of the City and in such manner as the court shall direct.

The Owner or Owners in an aggregate principal amount of not less than twenty-five percent (25%) of the Bonds then outstanding may by a duly executed certificate appoint a trustee for the Owners with authority to represent such Owners in any legal proceedings for the enforcement and protection of the rights of such Owners. Such certificate shall be executed by such Owners, or by their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk.

Until an event of default shall have occurred, the City shall retain full possession and control of the System with full right to manage, operate and use the same and every part thereof with the rights appertaining thereto, and to collect and receive and, subject to the provisions of this Bond Ordinance, to take, use and enjoy and distribute the earnings, income, rent, issue and profits accruing on or derivable from the System.

**Specific Covenants.** The City does hereby covenant and warrant so long as any of the Bonds are outstanding and unpaid in principal and/or interest:

(a) That it will at all times maintain the System in first-class repair and working order and condition.

(b) That it will carry full coverage of insurance on the System at all times against those risks and in those amounts normally carried by privately owned public utility companies engaged in the operation of utilities similar to the System. Said policies of insurance shall be issued by a responsible insurance company or companies duly licensed to do business under the laws of the State; provided, however, that the City may self-insure to the extent allowed by the laws of the State. In case of loss, any insurance money received by the City shall be used for the purpose of promptly repairing or replacing the property damaged or destroyed.

(c) That it will not sell, lease or in any manner dispose of the System or any substantial part thereof, provided that the City may dispose of property when such property in its judgment is worn-out, unserviceable, unsuitable, or unnecessary in the operation of the System, when other property of equal value is substituted therefor, or when the proceeds derived from the disposal of such property are used for constructing and acquiring extensions and improvements to the System or repairing the System.

(d) That except as provided in Section 18 hereof, it will not voluntarily create or cause to be created any debt, lien, pledge, mortgage, assignment, encumbrance, or any other charges having priority over or parity with the lien of the Bonds upon the income and revenues of the System pledged as security therefor.

(e) That to the extent permitted by law, it will not grant a franchise to any other company or organization for operation within the boundaries of the City which would render services or facilities in competition with the System, and will oppose the granting of such franchise by any other public body having jurisdiction over such matters.

(f) That it will not sell, lease, encumber or in any manner dispose of the System or any substantial part thereof; provided, however, that this covenant shall not be construed to prevent the disposal by the City of property which in its judgment has become worn out, unserviceable, unsuitable or unnecessary in the operation of the System, when other property of equal value is substituted therefor.

**Audit Requirements.** The City will establish and maintain adequate financial records as required by the laws of the State governing financial record-keeping by political subdivisions and in accordance with generally accepted accounting principles ("GAAP") and will make these and the following records and reports available to the Owners or their authorized representatives upon request.

The City will cause an audit of its financial statements to be made by an independent firm of certified public accountants in accordance with the requirements of Chapter 8 of Title 24 of the Louisiana Revised Statutes of 1950, as amended, and for so long as the Department owns the Bonds, or any part thereof, in accordance with the requirements of the Single Audit Act Amendments of 1996, as implemented by 2 CFR 200, Subpart F, and Section 66.468 of the Catalog of Federal Domestic Assistance (CFDA #66.468 - Capitalization Grants for Drinking Water State Revolving Funds), if applicable. Upon completion, the City shall file a copy of such audited financial statements with the Department, if still an Owner, and with any other Owner requesting same.

Fidelity Bonds for Officers and Employees. So long as any of the Bonds are outstanding and unpaid, the City shall require all of its officers and employees who may be in a position of authority or in possession of money derived from the collection of revenues of the System, to obtain or be covered by a blanket fidelity or faithful performance bond, or independent fidelity bonds written by a responsible indemnity company in amounts adequate to protect the City from loss.

Retention and Duties of Consulting Engineer in Event of Failure to Make Required Payments. The City covenants and agrees that in the event it should fail to derive sufficient income from the operation of the System to make the required monthly payments into the funds and accounts established and maintained in accordance with Section 14 hereof, it will retain a Consulting Engineer on a continuous basis until all defaults are cured, for the purpose of providing for the City continuous engineering counsel in the operation of its System. Such Consulting Engineer shall be retained under contract at such reasonable compensation as may be fixed by this Governing Authority, and the payment of such compensation shall be considered to be one of the costs of operating and maintaining the System. Any Consulting Engineer appointed under the provisions of this Section may be replaced at any time by another Consulting Engineer appointed or retained by the City, with the consent and approval of the Owners.

The Consulting Engineer shall prepare within ninety (90) days after the close of each Fiscal Year a comprehensive operating report, which report shall contain therein or be accompanied by a certified copy of an audit of the preceding Fiscal Year prepared by the City's certified public accountants, and in addition thereto, shall report upon the operations of the System during the preceding Fiscal Year, the maintenance of the properties, the efficiency of the management of the System; the property and adequate keeping of books of record and account, the adherence to budget and budgetary control provisions, the adherence to the provisions of this Bond Ordinance and all other things having a bearing upon the efficient and profitable operation of the System, and shall include whatever criticism of any phase of the operation of the System the Consulting Engineer may deem proper, and such recommendations as to changes in operations and the making of repairs, renewals, replacements, extensions, betterments and improvements as the Consulting Engineer may deem proper. Copies of such report shall be placed on file with the Clerk and sent to the Owner, and shall be open to inspection by any Owner. It shall be the duty of the Consulting Engineer to pass upon the economic soundness or feasibility of any extensions, betterments, improvements, expenditures or purchases of equipment and materials or supplies, which will involve the expenditure of more than Twenty Thousand Dollars (\$20,000), whether in one or more than one order, and whether authorized by a budget or not, and the Consulting Engineer shall devise and prescribe form or forms wherein shall be set forth his or its approval in certificate form, copies of which shall be filed with the Clerk.

Sixty (60) days before the close of each Fiscal Year, the Consulting Engineer shall submit to this Governing Authority a suggested budget for the ensuing year's operation of the System and shall submit recommendations as to the schedule of rates and charges for services supplied by the System, taking into account any other lawfully available funds of the City that may be available of such purposes. A copy of said suggested budget and recommendations shall also be furnished by said Consulting Engineer directly to the Owner. Such recommendations as to rates and charges consistent with the requirements relating thereto contained herein, shall be followed by this Governing Authority insofar as practicable and all other recommendations shall be given careful consideration by this Governing Authority and shall be substantially followed, except for good and reasonable cause. No expenditures for the operation, maintenance and repair of the System in excess of the amounts stated in said budget shall be made in any year, except upon the certificate of the Consulting Engineer that such expenditures are necessary and essential to the continued operation of the System.

It shall be the duty of the Consulting Engineer to prescribe a system of budgetary control along with forms for exercising of such control which shall be utilized by the manager or superintendent of the System and his staff and the manager or superintendent shall cause to prepare monthly reports not later than the twentieth (20<sup>th</sup>) day of each month, for the preceding months business and operation of the System, which reports shall be submitted to the Consulting Engineer, who shall prepare an analysis of each such report, which analysis shall be filed monthly as expeditiously as possible with the Director of Finance and Mayor of the City and with the Owner or Owners.

In the event this Governing Authority shall fail to select and retain a Consulting Engineer in accordance with the first paragraph of this Section within thirty (30) days after the occurrence of the conditions prescribed thereby, then upon the petition of the Owners of

the twenty-five percent (25%) of the aggregate principal amount of the Bonds then outstanding, this Governing Authority shall select and retain such Consulting Engineer as is named in the petition of said Owners unless a Receiver has been appointed pursuant to Section 20 hereof.

**Discharge of Bond Ordinance.** If the City shall pay or cause to be paid, or there shall be paid to the Owners, the principal of and interest (including the Administrative Fee) on the Bonds, at the times and in the manner stipulated in this Bond Ordinance are paid in full for all amounts due and owing, then the pledge of the Net Revenues or any other money, securities, and funds pledged under this Bond Ordinance and all covenants, agreements, and other obligations of the City to the Owners shall thereupon cease, terminate, and become void and be discharged and satisfied.

**Defeasance.** Bonds or interest installments (including the Administrative Fee) for the payment of which money shall have been set aside and shall be held in trust (through deposit by the City of funds for such payment or otherwise) at the maturity or prepayment 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 the laws of the State.

**Cancellation of Bonds.** All Bonds paid or prepaid either at or before maturity, together with all Bonds purchased by the City, shall thereupon be promptly cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish the Clerk an appropriate certificate of cancellation.

**Lost, Destroyed or Improperly Cancelled Bonds.** Lost, destroyed or improperly cancelled Bonds may be replaced in the manner set forth in the Act. In case any such lost, destroyed or improperly cancelled Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

Upon the issuance of any replacement Bond under this Section, the City may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith. Every new Bond issued pursuant to this Section in lieu of any lost, destroyed or improperly cancelled Bond shall constitute a replacement of the prior obligation of the City, whether or not the lost, destroyed or improperly cancelled Bond shall be at any time enforceable by anyone. The obligation of the City on any replacement bonds shall be identical as its obligation upon the original Bonds, and the rights of the registered owner shall be the same as those conferred by the original Bonds.

**Successor Paying Agent; Paying Agent Agreement.** The City will at all times maintain a Paying Agent for the performance of the duties hereunder for the Bonds. The designation of the initial Paying Agent in this Bond Ordinance is hereby confirmed and approved. The City reserves the right to appoint a successor Paying Agent by (a) filing with the Person then performing such function a certified copy of a resolution or ordinance giving notice of the termination and appointing a successor and (b) causing notice to be given to each Owner. Every successor Paying Agent appointed hereunder shall at all times be an officer of the City or a bank or trust company 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. If required, the Executive Officers are hereby authorized and directed to execute an appropriate agreement with the Paying Agent for and on behalf of the City in such form as may be satisfactory to said officers, the signatures of said officers on such agreement to be conclusive evidence of the due exercise of the authority granted hereunder. No resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent.

**Notice to Owners.** Wherever this Bond Ordinance provides for notice to Owners of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent via accepted means of electronic communication or mailed, first class postage prepaid, to each Owner, at the address of such Owner as it appears in the Bond Register. In any case where notice to Owners is given by mail, neither the failure to mail such notice to any particular Owner, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds. Where this Bond Ordinance provides for notice in any manner, such notice may be waived in writing by the Owner entitled to receive such notice, either before or after the event, and such waiver shall

be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Paying Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

**Publication; Peremption.** This Bond Ordinance shall be published one time in the official journal of the City, or if there is none, in a newspaper having general circulation in the City. It shall not be necessary to publish the exhibits to this Bond Ordinance, but such exhibits shall be made available for public inspection at the offices of the Governing Authority at reasonable times and such fact must be stated in the publication within the official journal. For a period of thirty days after the date of such publication any persons in interest may contest the legality of this Bond Ordinance and any provisions herein made for the security and payment of the Bonds. After such thirty-day period no one shall have any cause or right of action to contest the regularity, formality, legality, or effectiveness of this Bond Ordinance and the provisions hereof or of the Bonds for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the Bonds within the thirty days herein prescribed, the authority to issue the Bonds or to provide for the payment thereof, and the legality thereof, and all of the provisions of this Bond Ordinance and such Bonds shall be conclusively presumed, and no court shall have authority or jurisdiction to inquire into any such matter.

**Disclosure Under SEC Rule 15c2-12.** Subject to the terms of the Loan Agreement, the City is not required at this time to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17CFR '240.15c2-12(b)].

**Severability.** In case any one or more of the provisions of this Bond Ordinance or of the Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Bond Ordinance or of the Bonds, but this Bond Ordinance 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 this Bond Ordinance which validates or makes legal any provision of this Bond Ordinance or the Bonds which would not otherwise be valid or legal shall be deemed to apply to this Bond Ordinance and to the Bonds.

**Section Headings.** The headings of the various sections hereof are inserted for convenience of reference only and shall not control or affect the meaning or construction of any of the provisions hereof.

The foregoing Ordinance having been submitted to a vote, the vote thereon was as follows:

YEAS: Hymel, Domangue, Bias, Stephens, Tamporello

NAYS: None

ABSENT: None

ABSTAINING: None

And the ordinance was declared adopted on this, the 23<sup>rd</sup> day of January, 2024.

/s/ Debbie Harrington  
Clerk of the Council

/s/ Lee Dagna  
Mayor

EXHIBIT A

[FORM OF BOND]

INTEREST ON THIS BOND WILL BE INCLUDED IN GROSS INCOME  
FOR FEDERAL INCOME TAX PURPOSES AND IS NOT  
EXEMPT FROM FEDERAL INCOME TAXATION.

UNITED STATES OF AMERICA  
STATE OF LOUISIANA  
PARISH OF ST. MARY

TAXABLE UTILITIES REVENUE BOND (LDH), SERIES 2024  
OF THE  
CITY OF MORGAN CITY, STATE OF LOUISIANA

<u>Bond Number</u>	<u>Bond Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>
R-1	____, 2024	1.95%	\$7,000,000

FOR VALUE RECEIVED, the City of Morgan City, State of Louisiana (the "City"), hereby promises to pay (but only from the sources hereinafter described) to:

REGISTERED OWNER: Louisiana Department of Health (the "Department")  
Office of Management & Finance  
ATTN: Cash Management  
P. O. Box 61979  
New Orleans, LA 70161-1979

or registered assigns noted on the registration record attached hereto, the Principal Amount set forth above (unless a lower Principal Amount applies, as set forth below), together with interest hereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, unless this Bond shall have been previously called for prepayment and payment shall have been duly made or provided for.

This Bond shall bear interest, payable semi-annually on June 1 and December 1 of each year, commencing June 1, 2024 (each an "Interest Payment Date"), at the Interest Rate shown above, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on this Bond on any Interest Payment Date shall be payable only on the aggregate outstanding amount of the purchase price which shall have been paid theretofore and not forgiven by the Department, as noted on Schedule A hereto, and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

If the Department is the registered owner of this Bond, the City will additionally pay an Administrative Fee to the Department at the annual rate of one-half of one percent (0.50%) on the outstanding principal amount of the Bond, payable on each Interest Payment Date. In the event (i) the Department owns this Bond or the Department has pledged or assigned this Bond in connection with the State Loan Fund Program and (ii) the Administrative Fee payable to the Department is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, then the "Interest Rate" shown above and borne by this Bond shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

The Bonds shall mature in twenty-nine (29) installments of principal, payable annually on each December 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest One Thousand Dollars (\$1,000), of the outstanding principal amount of the Bonds on the day before the applicable Principal Payment Date:

[PAYMENT SCHEDULE TO BE INSERTED]

The principal and interest on this Bond shall be payable by check mailed to the registered owner of this Bond (determined as of the Interest Payment Date) at the address shown on the registration books kept by the Paying Agent (hereinafter defined) for such purpose, provided that payment of the final installment of principal on this Bond shall be made only upon presentation and surrender of this Bond to the Paying Agent.

The principal installments of this Bond are subject to prepayment at the option of the City at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date. In such case, the remaining principal shall continue to mature in annual installments calculated using the percentages shown above.

In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered to the Clerk of the Morgan City Council, as initial Paying Agent for this Bond (the "Paying Agent"), who shall note the amount of such prepayment in the space provided therefor on the schedule attached to this Bond. Official notice of such call of this Bond for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the

United States Mail or via accepted means of electronic communication not less than thirty (30) days prior to the prepayment date addressed to the registered owner of this Bond to be prepaid at his address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner. The City shall cause to be kept at the office of the Paying Agent a register in which registration of this Bond and of transfer of this Bond shall be made as provided herein and in the Bond Ordinance (hereinafter defined). This Bond may be transferred, registered and assigned only on such registration records of the Paying Agent, and such registration shall be at the expense of the City.

This Bond represents the entire issue of bonds of the City designated "Taxable Utilities Revenue Bond (LDH), Series 2024" (the "Bond"), having been issued by the City pursuant to an ordinance adopted by its governing authority on January 23, 2024 (the "Bond Ordinance"), for the purpose of paying a portion of the costs of constructing and acquiring improvements, extensions, and replacements to the drinking water component of the City's combined utility system comprised of the electric light and power plants and systems, the drinking water plants and systems, and the natural gas transmission and distribution plants and systems (the "System"), and for paying costs of issuance of the Bond, under the authority conferred by Part II of Chapter 4 of Subtitle II of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority, pursuant to all requirements therein specified. Capitalized terms used herein which are not otherwise defined have the meanings given them in the Bond Ordinance.

This Bond, equally with the City's outstanding Utilities Revenue Bonds, Series 2009B (the "Outstanding Parity Bonds"), is payable as to principal and interest solely from and secured by the income and revenues derived or to be derived from the income and revenues derived or to be derived from the operation of the System, after provision has been made for the payment therefrom of the reasonable and necessary expenses of operating and maintaining the System (the "Net Revenues").

For a more complete statement of the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond is issued, and the conditions under which additional bonds may be issued on a parity with the Outstanding Parity Bonds and this Bond, reference is hereby made to the Bond Ordinance.

This Bond is issued on a parity with the Outstanding Parity Bonds, except with regard to certain reserve accounts as set forth in the Bond Ordinance.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and statutes of the State. It is further certified, recited and declared that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond necessary to constitute the same a legal, binding and valid obligation of the City have existed, have happened and have been performed in due time, form and manner as required by law, and that the indebtedness of the City, including this Bond, does not exceed any limitation prescribed by the Constitution and statutes of the State, and that this Bond shall not be invalid for any irregularity or defect in the proceedings for the issuance and sale thereof.

IN WITNESS WHEREOF, the City of Morgan City, State of Louisiana, has caused this Bond to be executed in its name by the manual signatures of its Mayor and its Clerk of the Council and its corporate seal to be imprinted hereon.

**CITY OF MORGAN CITY, STATE OF LOUISIANA**

/s/ Debbie Harrington  
Clerk of the Council

/s/ Lee Dragna  
Mayor

(SEAL)

\* \* \* \* \*

The public hearing for the 2023 Amended Budget as opened. No one appeared for or against said ordinance; whereupon,

This Ordinance introduced with first reading on November 28, 2023, a second reading on December 19, 2023, and a third reading on January 23, 2024. Published by title on December 6, 2023 and December 22, 2023.

Mr. Tamporello offered the following Ordinance, who moved for its adoption.

ORDINANCE NO. 24-02

AN ORDINANCE OF THE CITY COUNCIL OF MORGAN CITY, LOUISIANA AMENDING THE OPERATING BUDGET FOR THE FISCAL YEAR BEGINNING JANUARY 1, 2023, AND ENDING DECEMBER 31, 2023.

WHEREAS, by Ordinance Number 22-13 dated November 15, 2022, the City Council adopted the operating budget for the fiscal year beginning January 1, 2023, and ending December 31, 2023, and

WHEREAS, during the year certain amendments were deemed necessary,

NOW THEREFORE BE IT ORDAINED by the City Council, the governing authority of the City of Morgan City, Louisiana, that revenues and other financing sources for 2023 be amended to \$44,999,595 and the expenditures be amended to \$41,287,732, leaving a net income of \$3,711,862.

BE IT FURTHER ORDAINED, etc., that said net income be applied to the fund balance of \$27,213,217 leaving a fund balance of \$30,925,079 for the fiscal year ended 2023.

Mr. Stephens seconded the motion.

The vote thereon was as follows:

AYES: Tamporello, Stephens, Bias, Domangue, Hymel  
NAYS: None  
ABSENT: None

Certified approved and adopted this 24<sup>th</sup> day of January, 2024.

Delivered to Mayor Dragna at 1:30 pm this 25<sup>th</sup> day of January, 2024.

/s/ Debbie Harrington  
Debbie Harrington, Clerk

Approved this 31<sup>st</sup> day of January, 2024.

/s/ Lee Dragna  
Lee Dragna, Mayor

Received from Mayor Dragna at 1:00 pm on January 31, 2024.

/s/ Debbie Harrington  
Debbie Harrington, Clerk

Published: February 7, 2024



There being no further business, a motion to adjourn was made by Mr. Hymel, seconded by Pastor Bias and voted unanimously in favor.

/s/ Debbie Harrington \_\_\_\_\_  
Debbie Harrington  
Clerk

/s/ Lee Dragna \_\_\_\_\_  
Lee Dragna  
Mayor