CITY OF BILOXI
AGENDA ITEM
FACT SHEET

Item No.: 4 F

Council Meeting Date: November 15, 2016

ITEM TITLE: RESOLUTION

INTRODUCED BY: Mayor Andrew "FoFo" Gilich

CONTACT PERSON: E. Michael Leonard, CAO

Gerald Blessey, City Attorney

SUMMARY EXPLANATION:

Resolution stating the intent of the Mayor and City Council (The "Governing Body") of the City of Biloxi, Mississippi (The "City"), to acquire, finance, and equip a fire station in Ward Six and a Fire Station in Ward 7 and related Facilities

Resolution ✓ Ordinance____ Public Hearing____ Routine Agenda____

Exhibits for Review

Contract____ Minutes____ Plans/Maps____ Deed____ Lease____

Other (Specify):

Submittal Authorization: Council President ____ Mayor ✓

STAFF RECOMMENDATION: Staff recommends approval

COUNCIL ACTION: Motion By: ____ Second By: ____

Vote: Councilmember	Yes	No	Other	Councilmember	Yes	No	Other
Lawrence				Tisdale			
Gines				Glavan			
Newman				Fayard			
Deming							

ACTION TAKEN:

GB/km 111516cleg

Resolution No. _____

RESOLUTION STATING THE INTENT OF THE MAYOR AND CITY COUNCIL (THE "GOVERNING BODY") OF THE CITY OF BILOXI, MISSISSIPPI (THE "CITY"), TO ACQUIRE, FINANCE AND EQUIP A FIRE STATION IN WARD SIX AND A FIRE STATION IN WARD SEVEN AND RELATED FACILITIES (THE "PROJECT") UNDER AUTHORITY OF SECTIONS 31-8-1 ET SEQ., MISSISSIPPI CODE OF 1972, AS AMENDED FROM TIME TO TIME (THE "ACT"), UNDER A LEASE BETWEEN THE CITY AND THE SOUTHERN MISSISSIPPI INVESTMENT COMPANY, INC., A NON-PROFIT CORPORATION ORGANIZED UNDER THE LAWS OF THE STATE OF MISSISSIPPI (THE "CORPORATION"), CREATED FOR THE PURPOSE OF ACQUIRING, CONSTRUCTING, FINANCING, EQUIPPING AND LEASING FACILITIES TO CERTAIN GOVERNMENTAL UNITS UNDER THE ACT; AND RESOLUTION EMPLOYING LOCAL COUNSEL AND APPROVING A SPECIAL COUNSEL AND A FINANCIAL ADVISOR TO THE CORPORATION IN CONNECTION WITH THE LEASE AND THE ISSUANCE OF CERTIFICATES OF PARTICIPATION (BILOXI, MISSISSIPPI A FIRE STATION IN WARD SIX AND WARD SEVEN LEASE PURCHASE PROJECT), OR NEGOTIATING A LOAN AGREEMENT SECURED BY A NOTE WITH A TO BE DETERMINED LENDER TO FUND THE COST OF THE PROJECT.

WHEREAS, the Mayor and City Council (the "Governing Body") of the City of Biloxi, Mississippi (the "City"), acting for and on behalf of the City, hereby finds and determines as follows:

1. The City is in need of acquiring, financing, equipping and leasing a fire station in Ward Six and a fire station in Ward Seven and related facilities (the "Project").

2. The City is authorized by Sections 31-8-1 et seq., Mississippi Code of 1972, as amended from time to time (the "Act"), to enter into a lease and option to purchase agreement (the "Lease") for the acquisition, renovation, financing, and equipping of a fire station in Ward Six and a fire station in Ward Seven and related facilities.

3. The City desires to enter into the Lease with the Southern Mississippi Investment Company, Inc., a non-profit corporation organized under the laws of the State of Mississippi (the "Corporation"), created under the procedure authorized by the Act, for the expressed purpose of acquiring, constructing, renovating, financing, equipping and leasing facilities to certain governmental units.

4. The City desires to employ Currie Johnson & Myers, P.A., Biloxi, Mississippi, and Gerald Blessey Law Firm, P.A., Biloxi, Mississippi as Local Counsel ("Local Counsel"), and approve Butler Snow LLP, Ridgeland, Mississippi, as Special Counsel to the Corporation ("Special Counsel"), and Government Consultants, Inc., Madison, Mississippi, as Financial Advisor to the Corporation ("Financial Advisor"), all in connection with the Lease and the issuance of Certificates of Participation (Biloxi, Mississippi Fire Stations Lease Purchase Project) (the "Certificates"), or negotiating a loan agreement secured by a note with a to be determined lender (the "Loan"), with the approval of the City, to provide funds for the Project and to authorize Local Counsel, Special Counsel and the Financial Advisor to assist in the sale of the Certificates or negotiating the Loan, to prepare and distribute documents and resolutions in connection with the sale, issuance and delivery of the Certificates or negotiating the Loan, and to provide other services as are typically provided in similar transactions.

5. The City reasonably expects that it will incur expenditures prior to the issuance of the Certificates or entering into the Loan, which it intends to reimburse with the proceeds of the Certificates upon the issuance thereof or the proceeds of the Loan. This declaration of official intent to reimburse expenditures made prior to the issuance of the Certificates or entering into the Loan in anticipation of the issuance of the Certificates or entering into the Loan is made pursuant to Department of Treasury Regulations Section 1.150-2 (the reimbursement regulations). The Project for which such expenditures are made is the same as described hereinabove. The portion of the debt expected to be issued for the Project and expected to be reimbursed is an amount not to exceed $500,000.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY, AS FOLLOWS:

SECTION 1. That the Governing Body of the City does hereby declare its intent for acquiring, renovating, financing, equipping and leasing a fire station in Ward Six and a fire station in Ward Seven and related facilities from the Corporation through the Lease, upon such terms and conditions as may be subsequently approved by the Governing Body and under authority granted by the Act.

SECTION 2. The City hereby employs Currie Johnson & Myers, P.A., Biloxi, Mississippi and Gerald Blessey Law Firm, Biloxi, Mississippi, as Local Counsel, and approves Butler Snow LLP, Ridgeland, Mississippi, as Special Counsel to the Corporation, and Government Consultants, Inc., Madison, Mississippi, as Financial Advisor to the Corporation, all in connection with the Lease and the Certificates or the Loan and authorizes Local Counsel, Special Counsel and the Financial Advisor to assist in the sale of the Certificates or the negotiations for the Loan, to prepare and distribute documents and resolutions, including, but not all inclusive, the Lease, a ground lease

and a trust agreement, a preliminary official statement and an official statement, in connection with the sale, issuance and delivery of the Certificates, or a loan agreement and note regarding the negotiations for the Loan, and to provide other services as are typically provided in similar transactions. Local Counsel, Special Counsel and the Financial Advisor shall be paid a reasonable and customary fee for their services, such fees to be approved by the Governing Body. Special Counsel shall also be reimbursed for reasonable out of pocket expenses in connection with its services.

SECTION 3. The City reasonably expects that it will incur expenditures prior to the issuance of the Certificates or entering into the Loan, which it intends to reimburse with the proceeds of the Certificates upon the issuance thereof or the proceeds of the Loan. This declaration of official intent to reimburse expenditures made prior to the issuance of the Certificates or entering into the Loan in anticipation of the issuance of the Certificates or entering into the Loan is made pursuant to Department of Treasury Regulations Section 1.150-2 (the reimbursement regulations). The Project for which such expenditures are made is the same as described hereinabove. The portion of the debt expected to be issued for the Project and expected to be reimbursed is an amount not to exceed $500,000.

SECTION 4. If any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any of the other provisions of this resolution, but this resolution shall be construed and enforced as if such illegal or invalid provision or provisions had not been contained herein.

SECTION 5. All orders, resolutions or proceedings of the Governing Body in conflict with any provision hereof shall be, and the same are hereby repealed, rescinded and set aside, but only to the extent of such conflict. For cause, this resolution shall become effective upon the adoption hereof.