

AUTHORIZING RESOLUTION

COUNCIL MEMBER Sislow moved the adoption of the following Resolution and Order:

A RESOLUTION OF THE CITY COUNCIL, THE GOVERNING BODY ("THE BOARD") OF THE CITY OF DIAMONDHEAD, MISSISSIPPI (THE "LESSEE"), FINDING IT NECESSARY TO ACQUIRE EQUIPMENT FOR GOVERNMENTAL OR PROPRIETARY PURPOSES AUTHORIZED BY LAW: FINDING THAT IT WOULD BE IN THE PUBLIC INTEREST TO ACQUIRE SUCH EQUIPMENT UNDER THE TERMS OF A LEASE PURCHASE AGREEMENT: FINDING THAT THE HANCOCK BANK, GULFPORT, MISSISSIPPI, (THE "LESSOR") HAS OFFERED TO ACQUIRE SUCH EQUIPMENT, OR TO ACQUIRE FROM AND REIMBURSE THE LESSEE FOR THE COST OF SUCH EQUIPMENT IN THE EVENT THE EQUIPMENT HAS ALREADY BEEN PURCHASED BY THE LESSEE, AND TO LEASE SUCH EQUIPMENT TO LESSEE: FINDING THAT SUCH PROPOSAL IS IN THE INTEREST OF THE LESSEE AND AUTHORIZING AND DIRECTING THE AUTHORIZED OFFICERS (AS HEREINAFTER DEFINED) TO EXECUTE A LEASE PURCHASE AGREEMENT AND SUPPORTING SCHEDULES AND ATTACHMENTS INCLUDING, BUT NOT LIMITED TO, ASSIGNMENTS OF TITLE TO THE EQUIPMENT TO HANCOCK BANK TO THE END THAT THE EQUIPMENT SHALL BE ACQUIRED BY SUCH BANK AND LEASED TO THE LESSEE ON THE TERMS AND CONDITIONS EXPRESSED IN SUCH LEASE.

WHEREAS, the Board has determined that it is necessary to acquire certain items of Equipment (the "Equipment") for use by the Lessee for purposes authorized by law and

WHEREAS, the Board had by these presents determined that it would be in the public interest to acquire such Equipment through a Lease Purchase Agreement as provided under Section 31-7-13 (e) MISS.CODE ANN. (1972), as amended, and

WHEREAS, the Board anticipates that it will not issue more than \$10,000,000.00 of qualified tax-exempt obligations during calendar year 2016 and desires to designate the Lease Purchase Agreement as a qualified tax-exempt obligation of the Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, ("the Code").

WHEREAS, to the best knowledge and belief of the Board, this lease qualifies as a qualified project bond within the meaning of the Tax Reform Act of 1986; and

WHEREAS, the Hancock Bank of Gulfport, Mississippi, has proposed to acquire the Equipment at the offered price and to lease the Equipment to the Lessee at a rate of 1.99% per annum.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

SECTION 1: The City Manager and City Clerk (hereinafter the "Authorized Officers") are hereby authorized and directed to execute a Lease Purchase Agreement (also referred to as a "Governmental Lease Purchase Agreement"), either reference being the "Agreement", and all attachments thereto. Such Agreement shall be in substantially the form attached hereto with such appropriate variations, omissions and insertions as are permitted or required by this Resolution and as are consented to by the Lessee's representatives (the "Authorized Officers") executing the Agreement, such consent being evidenced by their signatures.

SECTION 2: The Equipment to be leased pursuant to the Agreement shall be more fully described in a schedule to the Agreement titled "Exhibit D - Description of the Equipment". Upon delivery and acceptance by the Lessee of the Equipment, the Authorized Officers are authorized and directed to execute a Certificate of Acceptance of such Equipment and, as provided in Section 4.01 of such Lease, the lease term shall commence on the date of acceptance.

SECTION 3: The Authorized Officers are further authorized and directed to execute on behalf of the Lessee a Financing Statement and all other documents as provided for under Section 7.02 of such Lease to establish and maintain the security interest of Hancock Bank in such Equipment.

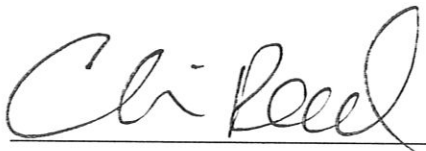
SECTION 4: The Board hereby designates the Lease Purchase Agreement as a qualified tax-exempt obligation for purposes of Section 265(b)(3) of the Code.

SECTION 5: The Lessee and the Board understand Section 8.03 of the Agreement ("Provisions Regarding Insurance") and agree to provide property damage and liability insurance in accordance with the terms of the Agreement.

COUNCIL MEMBER Rech seconded the motion and after a full discussion, the same was put to vote with the following results:

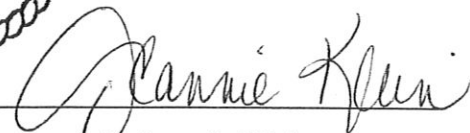
<u>Councilmember Depreo</u>	Voted: <u>AYE</u>
<u>Councilmember Woolbright</u>	Voted: <u>AYE</u>
<u>Councilmember Knobloch</u>	Voted: <u>AYE</u>
<u>Councilmember Sislow</u>	Voted: <u>AYE</u>
<u>Councilmember Rech</u>	Voted: <u>AYE</u>
<u>Mayor Schafer</u>	Voted: <u>AYE</u>
_____	Voted: _____

The motion, having received an affirmative vote, was carried and the resolution adopted, this the 15th day of November 2016.

By: 

Mr. Clovis Reed
City Manager



Attest: 
Ms. Jeannie Klein
City Clerk