

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF
THE WATER WORKS BOARD OF THE TOWN OF CALERA**

**Adoption of Financing Resolution
Adoption of Tax-Exempt Bond Policy**

The Board of Directors of The Water Works Board of the Town of Calera met in public session at the office of the Board at 10947 Alabama Highway 25, in the City of Calera, Alabama, at 5:00 p.m. on July 25, 2012.

The meeting was called to order by the Chairman of the Board, and the roll was called with the following results:

Present: Jon Graham, Chairperson
 Mike Roberson
 Harold Cole
 Joe Dorris
 Preston Nail

Absent: None

The Chair stated that due notice of the date, time, place and purpose of this meeting had been (a) posted on July 18, 2012 at the place of meeting, and (b) given to all members of the Board of Directors and that each member had signed a waiver of notice. Said waiver signed by each director was ordered inserted in the minutes of this meeting at the end thereof.

The Chair stated that the meeting was open for the transaction of business.

* * *

Thereupon, the following resolution was introduced in writing, duly seconded and unanimously adopted by the vote of all members of the Board of Directors present:

A RESOLUTION ELECTING OFFICERS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WATER WORKS BOARD OF THE TOWN OF CALERA that the election or appointment of the following named persons to the following offices is hereby made and approved for a term ending on such date as their successors are chosen and qualify in their stead:

<u>Name</u>	<u>Office</u>
Jon Graham	Chair of the Board of Directors
Mike Roberson	Vice-Chair
Connie Payton	Secretary-Treasurer

Thereupon the following resolution was introduced in writing, duly seconded and unanimously adopted by the vote of all members of the Board of Directors present:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF \$9,445,000 PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2012, AND THE EXECUTION AND DELIVERY OF RELATED FINANCING DOCUMENTS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WATER WORKS BOARD OF THE TOWN OF CALERA (the "Board"), as follows:

1. The Board does hereby approve, adopt, authorize, direct, find, represent, ratify and confirm:

(a) the refinancing of improvements to a Water System within the meaning of Article 9 of Chapter 50 of Title 11 of the Code of Alabama 1975 (the "Enabling Law") through the issuance of \$9,445,000 principal amount Water Revenue Bonds, Series 2012 (the "Bonds"), pursuant to the Indenture hereinafter referenced and the Enabling Law, and

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

(1) The Trust Indenture dated as of February 1, 1998, as heretofore supplemented and amended and as supplemented and amended by Fifth Supplemental Indenture dated July 1, 2012 (the "Indenture") between the Board and U.S. Bank National Association (the "Trustee");

(2) Continuing Disclosure Agreement to be dated the date of delivery by the Board;

(3) The Preliminary Official Statement and the Official Statement with respect to the Bonds;

(4) Refunding Trust Agreement dated July 1, 2012 by the Board and the Trustee with respect to the Series 2000 Bonds and the Series 2006 Bonds;

(5) The Bond Purchase Agreement to be dated the date of delivery by the Board and Gardner Michael Capital, Inc.; and

(c) pursuant to Section 5.2(c)(ii) of the Indenture:

(1) the Board is not in default under the Indenture and no such default is imminent;

(2) the Series 2012 Bonds shall be delivered to Gardner Michael Capital, Inc.;

- (3) the Series 2012 Bonds shall be issued by sale;
- (4) the sale price of the Series 2012 Bonds is \$9,247,590.65;
- (5) after the issuance of the Series 2012 Bonds, the following Additional Bonds shall be Outstanding under the Indenture:
 - (i) the Series 2005 Bonds under Second Supplemental Trust Indenture dated August 1, 2005;
 - (ii) the Series 2009 Bonds under Fourth Supplemental Trust Indenture dated July 1, 2009;
- (6) the proceeds of the Series 2012 Bonds shall be applied to refund the Series 2000 Bonds and Series 2006 Bonds of the Board;
- (7) the proceeds of the Series 2012 Bonds shall not be used to acquire any Capital Improvements.

2. The documents described in Section 1 of this resolution (herein collectively the "Financing Documents") are approved in substantially the form and of substantially the content as the Financing Documents presented to and considered by the Board of Directors, with such changes or additions thereto or deletions therefrom as the officer of the Board executing those of the Financing Documents to which the Board is a party signatory thereto (herein collectively the "Board Documents") shall approve, which approval shall be conclusively evidenced by his executing the Board Documents as hereinafter provided.

3. The Financing Documents presented to, considered and adopted by the Board of Directors shall be filed in the permanent records of the Board.

4. The Chair, any Vice Chair, or the Treasurer of the Board are each hereby authorized and directed to execute, acknowledge and deliver the Board Documents for and on behalf of and in the name of the Board. The Secretary or an Assistant Secretary of the Board is hereby authorized and directed to attest the same. Any prior execution of the Board Documents by any of the aforesaid officers is hereby ratified and confirmed.

5. Pursuant to the Indenture the Board shall issue the Bonds. The Bonds shall be issued under and secured by the Indenture as therein provided, shall be in the form and contain the provisions therein set forth for the Bonds, and shall be executed in the name and on behalf of the Board by the officers thereof as provided in the Indenture. Such officers are hereby authorized and directed so to execute the Bonds.

6. The Trustee is hereby authorized and directed to authenticate and register the Bonds and to deliver the Bonds on behalf of the Board to the purchaser thereof.

7. The Bonds are hereby awarded and ordered sold to Gardnyr Michael Capital, Inc., under and pursuant to the Bond Purchase Agreement referenced in Section 1(b)(5).

8. The Chair of the Board shall issue a receipt acknowledging payment of the purchase price of the Bonds, and said receipt shall be full acquittal for the payment of such purchase price, and the purchaser shall be under no duty to inquire as to the application of the proceeds of the Bonds. Nevertheless, such proceeds shall be held and applied in the manner and for the purposes specified in the Indenture.

9. The Official Statement with respect to the Bonds (the "Official Statement") in substantially the form and of substantially the content as the form of Official Statement presented to and considered at this meeting is hereby approved and adopted. The Board does hereby find and determine that the Official Statement is correct and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Chair or the Vice-Chair is hereby authorized to execute and deliver the Official Statement for and on behalf of and in the name of the Board, with such changes or additions thereto or deletions therefrom as he may deem necessary or desirable in order to state fully and correctly the pertinent facts concerning the Board and the Bonds offered thereby. Any prior execution and/or delivery of the Official Statement or any preliminary official statement is hereby ratified and confirmed.

10. (a) The Chair and the Secretary of the Board, or either of them, are hereby authorized and directed to execute, deliver and file such related financing documents and security agreements as may be necessary or desirable to carry out the provisions of this resolution or complete the financing herein authorized; and execute and deliver to the purchaser and to the attorneys approving the legality of the Bonds such certified copies of proceedings of the Board and such closing papers, proofs and statements containing such representations of fact and law as may be necessary to demonstrate the validity of the Bonds and the Financing Documents, the absence of any pending or threatened litigation with respect to the Bonds and such instruments or any matter referred to therein or in this resolution, the exclusion of interest on the Bonds from gross income for federal income taxation, and the exemption of interest on the Bonds from State of Alabama income taxation.

(b) All actions heretofore taken, and all agreements, commitment letters, contracts, documents and instruments heretofore executed and delivered with respect to the Bonds and the Financing Documents and the transactions hereby approved, by any officer or employee of the Board, are hereby approved, ratified and confirmed.

11. The Board does hereby approve, adopt, ratify, and confirm the seal impressed on these minutes as and for the official corporate seal of the Board and said seal shall remain in the custody of the Secretary of the Board, who is hereby authorized to affix the same to bonds, contracts, proceedings and other documents of the Board.

Thereupon, the following resolution was introduced in writing, duly seconded and unanimously adopted by the vote of all members of the Board of Directors present:

**A RESOLUTION AND ORDER TO ADOPT, APPROVE AND AUTHORIZE
A POLICY AND PROCEDURES FOR COMPLIANCE
OF TAX-EXEMPT BONDS WITH THE INTERNAL REVENUE CODE**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WATER WORKS BOARD OF THE TOWN OF CALERA (the "Board"), as follows:

1. The Board does hereby approve, adopt, authorize, direct, ratify and confirm the "Policy and Procedures for Compliance of Tax-Exempt Bonds with the Internal Revenue Code" (the "Tax-Exempt Bonds Policy"), in the form and of the content as attached hereto as Exhibit A and presented to and considered by the Board, and effective as provided therein.
2. The Tax-Exempt Bonds Policy shall be filed in the permanent records of the Board.
3. The officers of the Board are hereby authorized and directed to take such actions, and to execute, deliver and file such related agreements, documents, instruments and notices, as may be necessary or desirable to carry out and effect the provisions of this resolution and the Tax-Exempt Bonds Policy.
4. All actions heretofore taken by officers of the Board with respect to the development of the Tax-Exempt Bonds Policy are hereby ratified and confirmed.
5. This resolution shall take effect immediately.

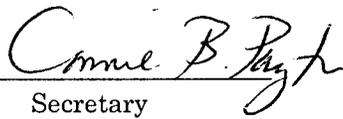
* * *

There being no further business to come before the meeting, it was moved and seconded that the meeting be adjourned. Motion carried.

Minutes approved:


Chair

SEAL

Attest: 
Secretary

**NOTICE OF MEETING
OF
THE WATER WORKS BOARD OF THE TOWN OF CALERA**

Notice is hereby given that The Water Works Board of the Town of Calera (the "Board"), shall hold a public meeting at the offices of the Board at 10947 Alabama Highway 25, in the City of Calera, at 5:00 p.m. on July 25, 2012, for the purposes of: ratifying the election of officers for the Board, authorizing the issuance and sale of \$9,445,000 Water Revenue Bonds to refinance the Series 2000 Bonds and Series 2006 Bonds of the Board; authorizing the execution and delivery of financing documents with respect to the issuance of said bonds; and transacting such other business or taking such further action as may be conducted or taken at a regular meeting of the Board of Directors.

The meeting shall be open to the public and all interested persons may attend.

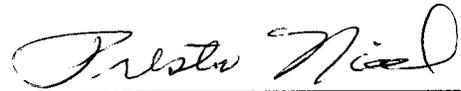
Further information may be obtained at the above-referenced office of the Board during normal business hours.

WAIVER

The undersigned, constituting all of the members of the Board of Directors of The Water Works Board of the Town of Calera, hereby waive any and all notice of the date, time, place and purposes of a meeting of the said Board of Directors called to be held at the office of the Board at 10947 Alabama Highway 25, in the City of Calera, at 5:00 p.m. on July 25, 2012, for the purposes of: ratifying the election of officers for the Board, authorizing the issuance and sale of \$9,445,000 Water Revenue Bonds to refinance the Series 2000 Bonds and Series 2006 Bonds of the Board; authorizing the execution and delivery of financing documents with respect to the issuance of said bonds; and transacting such other business or taking such further action as may be conducted or taken at a regular meeting of the Board of Directors. We do hereby waive any and all irregularities in said notice and any other or further notice of such meeting, and we do hereby consent and agree that a special meeting of the Board of Directors shall be held at the time and place and for the purposes stated in said notice.







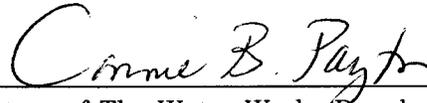




CERTIFICATE OF SECRETARY

The undersigned duly elected, qualified and acting Secretary of The Water Works Board of the Town of Calera hereby certifies that: (1) the above and foregoing pages constitute a complete, verbatim and compared copy of excerpts from all those parts of the minutes of a meeting of the Board of Directors of the Board duly held on July 25, 2012, pertaining to the matters therein referred to, the original of which is on file and of record in the minute book of the Board of Directors in my custody; (2) the resolutions set forth in such excerpts are complete, verbatim and compared copies of such resolutions as introduced and adopted by the Board of Directors on such date and have not been repealed, amended, or changed; (3) the foregoing Notice was posted on July 18, 2012 at the place of meeting in the City of Calera; and (4) and the foregoing Waiver of Notice following the excerpts from the minutes of such meeting is a complete, verbatim and compared copy of such Waiver of Notice which has been inserted in the minute book of the Board of Directors immediately following the minutes of such meeting.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary of the Board and have affixed the official seal of the Board on July 31, 2012.



Secretary of The Water Works Board of the Town of
Calera

SEAL