CITY OF DAPHNE
1705 MAIN STREET, DAPHNE, AL
CITY COUNCIL BUSINESS MEETING AGENDA
Tuesday, September 5, 2023
6:00 P.M.

1. **CALL TO ORDER**

2. **ROLL CALL**
INVOCATION Pastor Andrew Tewell, Lighthouse Baptist Church
PLEDGE OF ALLEGIANCE

RECOGNITION: Industrial Development Board

3. **APPROVE MINUTES:** August 21, 2023 regular meeting

4. **REPORTS OF STANDING COMMITTEES**

   A. **FINANCE COMMITTEE** – Goodlin
   Review the minutes from the August 21st meeting.
   Treasurer's Report for July 2023: Unrestricted Fund Balance **-** $27,540,601;
   Total Cash Balance **-** $ 41,007,773
   Sales Tax for June 2023: $ 2,415,350.44; Lodging Tax for June 2023: $ 175,558.12
   Excess Reserve Balance **-** $ 17,521,154
   Debt Summary – July 2023: Warrants **-** $ 24,650,442
   Capital Leases: General Fund **-** $ 741,029; Enterprise Fund **-** $ 800,417

   B. **BUILDINGS & PROPERTY COMMITTEE** – Coleman

   C. **PUBLIC SAFETY COMMITTEE –** Hughes
   Review the minutes from the August meeting.

   D. **CODE ENFORCEMENT/ORDINANCE COMMITTEE** – Olen

   E. **PUBLIC WORKS COMMITTEE** – Conaway

5. **REPORTS OF SPECIAL BOARDS & COMMISSIONS**

   A. **BOARD OF ZONING ADJUSTMENTS** – Adrienne Jones

   B. **DAPHNE PUBLIC SCHOOL COMMISSION –** Conaway

   C. **DOWNTOWN REDEVELOPMENT AUTHORITY –** Conaway

   D. **INDUSTRIAL DEVELOPMENT BOARD** – Scott

   E. **LIBRARY BOARD –** Goodlin

   F. **PLANNING COMMISSION –** Olen
   Review the minutes from the July 27th meeting and the report from the August 24th meeting.

   G. **RECREATION BOARD –** Hughes

   H. **UTILITY BOARD –** Phillips

6. **PUBLIC PARTICIPATION**

7. **MAYOR'S REPORT**

8. **CITY ATTORNEY REPORT**

9. DEPARTMENT HEAD REPORTS

10. CITY CLERK'S REPORT

MOTION to approve the SEEDS Crawfish for the Classroom event on March 9, 2024 from 4:00pm – 7:00pm located at 1705 Main Street, Daphne (City Hall).

MOTION to approve the Eastern Shore Children's Business Fair on October 28, 2023 from 10:00am – 1:00pm located at Centennial Park.

MOTION to approve the Daphne High School Homecoming Parade at 6:00pm on September 28, 2023.

11. RESOLUTIONS & ORDINANCES

A. RESOLUTIONS:

2023 – 44 – Appropriation: Palmetto Court Drainage Improvements **-** $95,665

2023 – 45 – Resolution Declaring Certain Personal Property Surplus and Authorizing the Mayor to Dispose of Such Property – Chevy Tahoes, GMC Dump Truck, Asphalt Roller

2023 – 46 – 2023-X-Park Chemicals: Bid Award – FIS Outdoor

2023 – 47 – 2023-V-Ruff Wilson Roof Repair Project: Bid Award – Dobson Sheet Metal and Roofing

2023 – 48 – Appropriation: Civic Center Chiller Repair **-** $353,250

B. 2nd READ ORDINANCES:

2023 – 31 – Ordinance to Pre-Zone Property Located Northeast of the intersection of Pollard Road and County Road 64 – O'Gwynn Properties, L.L.C.

2023 – 32 – Ordinance to Annex Property Contiguous to the Corporate Limits of the City of Daphne – Property Located Northeast of the intersection of Pollard Road and County Road 64 – O'Gwynn Properties, L.L.C.

2023 – 33 – Ordinance to Amend the City of Daphne's Employee Handbook – Sections 5.1, 7.2 and 10.3

1st READ ORDINANCE:

2023 – 34 – Authorizing the Issuance of General Obligation Warrants – Series 2023-A

2023 – 35 – Adopting the Fiscal Year 2024 Budget

12. COUNCIL COMMENTS

13. ADJOURN

August 21, 2023
CITY COUNCIL MEETING
REGULAR BUSINESS MEETING
1705 MAIN STREET
DAPHNE, AL
6:00 P.M.

1. **CALL TO ORDER:**

There being a quorum present Council President Angie Phillips called the meeting to order at 6:00pm.

2. **ROLL CALL:**

COUNCIL MEMBERS PRESENT: Tommie Conaway, Angie Phillips, Steve Olen, Joel Coleman, Ron Scott, Benjamin Hughes and Doug Goodlin

Also Present: Jay Ross, City Attorney; Mayor LeJeune; Chief Brian Gulsby, Police; Troy Strunk, City Development; Chief Tacon, Fire; Tonja Young, Library; Adrienne Jones, Planning; Ronnie Huskey, Public Works; Ange Baggett, Marketing; Josh Newman, City Engineer; Jane Ellis, Senior Center; Krista Burton, Junior Councilmember; and Jessica Linne, Assistant City Clerk.

INVOCATION/PLEDGE OF ALLEGIANCE

Invocation was given by Reverend Thack Dyson, St. Paul's Episcopal Church.

PRESENTATION: Quinn Hamm gave an update on his Eagle Scout Project.

PRESENTATION: Kaden Hamm gave an update on his Eagle Scout Project.

PRESENTATION: Mayor LeJeune presented the Beautification Award to Christ the King Church and School.

PROCLAMATION: Mayor LeJeune presented the National Senior Center Day Proclamation. Jane Ellis gave information on the Daphne Senior Center. Mr. Martin Lee, South Alabama Regional Planning Commission, shared that the Daphne Senior Center would be their featured Senior Center for the month.

PRESENTATION: Chief Tacon presented the most recent Fire Department Promotions to Apparatus Engineer to Patrick McDermott, Josh Harlan and Owen Rumbley.

PUBLIC HEARING: Adrienne Jones presented on the O'Gwynn Properties L.L.C. Pre-Zoning Amendment located Northeast of the intersection of Pollard Road and County Road 64. Hunter Smith with Smith, Clark & Associates, L.L.C. gave information.

Public hearing opened at 6:24pm. No one came forward to speak.

Public hearing closed at 6:24pm.

PUBLIC HEARING: Adrienne Jones presented on the O'Gwynn Properties L.L.C. Annexation Petition located Northeast of the intersection of Pollard Road and County Road 64.

Public hearing opened at 6:25pm. No one came forward to speak.

Public hearing closed at 6:25pm.

3. **APPROVAL OF MINUTES:**

The minutes from the August 7, 2023 regular meeting were approved.

4. **REPORT OF STANDING COMMITTEES:**

A. FINANCE COMMITTEE
Councilman Goodlin said the next meeting is September 18th at 4:30pm.

B. BUILDINGS & PROPERTY COMMITTEE
Councilman Coleman said the minutes from the July 2023 meeting and the July 2023 new Construction and Building Reports were in the packet. He shared there were 13 certificates of occupancy, 267 permits issued; out

of those permits there were 24 new resident home permits as well as $100,809.42 collected in fees and said the next meeting is September 11th at 5:15pm.

C. PUBLIC SAFETY COMMITTEE
Councilman Hughes said the next meeting is September 11th at 4:30pm.

D. CODE ENFORCEMENT/ORDINANCE COMMITTEE
Councilman Olen said the next meeting is September 5th at 4:30pm.

E. PUBLIC WORKS COMMITTEE
Councilwoman Conaway said the next meeting is September 5th at 5:15pm.

5. REPORTS OF SPECIAL BOARDS & COMMISSIONS:

A. Board of Zoning Adjustments
Mrs. Jones said there was no meeting and no report.

B. Daphne Public School Commission
Councilwoman Conaway said the next meeting is August 28th at 5:30pm.

C. Downtown Redevelopment Authority
Councilwoman Conaway said the next meeting is September 21st at 5:30pm..

D. Industrial Development Board
Councilman Scott said the next meeting August 22nd at 4:30pm.

E. Library Board
Councilman Goodlin said the next meeting September 14th at 4:30pm.

F. Planning Commission
Councilman Olen said the next meeting is August 24th at 5:00pm.

G. Recreation Board
Councilman Hughes said the next meeting is September 13th at 6pm.

H. Utility Board
Councilwoman Phillips said the next meeting is August 30th at 5:00pm.

6. PUBLIC PARTICIPATION:

Public Participation opened at 6:28pm. No one came forward to speak.

Public Participation closed at 6:28pm.

7. MAYOR'S REPORT:

Mayor LeJeune said it was great news shared about the Daphne Senior Center. He shared that May Day Park was open and turf is going down at the Sports Complex. He mentioned upcoming coffee with the Mayor and that the City has multiple job openings.

8. CITY ATTORNEY REPORT:

City Attorney said there was no report.

9. DEPARTMENT HEAD COMMENTS:

Chief Tacon, Fire, shared that crews did road training last week.

Ange Baggett, Marketing, said business is going well and that she would be attending the Alabama Governor's Conference on Tourism.

Tonja Young, Library, said the Library has had 10,000 visitors monthly since January with June being the highest month at over 15,000 visitors.

Ronnie Huskey, Public Works, updated the Council on ongoing projects within the City.

10. CITY CLERK'S REPORT:

MOTION by Councilman Scott to approve the 37th Annual Celebration of Dr. Martin Luther King, Jr. Holiday on January 15, 2024 from 10:30 – 11:30am. Seconded by Councilwoman Conaway.
MOTION CARRIED UNANIMOUSLY.

11. RESOLUTIONS & ORDINANCES:

A. RESOLUTIONS:

B. ORDINANCES:

2nd READ ORDINANCES:

2023 – 20 – Ordinance Granting Non-Exclusive Authorization to Spire Gulf Inc. for the Purpose or Constructing and Maintaining a Gas Distribution System within Certain Public Rights-of-Way within the City of Daphne

MOTION by Councilman Scott to waive the reading of Ordinance 2023-20. Seconded by Councilman Coleman.
MOTION CARRIED UNANIMOUSLY.

MOTION by Councilman Olen to deny Ordinance 2023-20. Seconded by Councilman Scott.
MOTION CARRIED UNANIMOUSLY.

1ST READ ORDINANCES:

2023 – 31 – Ordinance to Pre-Zone Property Located Northeast of the intersection of Pollard Road and County Road 64 – O'Gwynn Properties, L.L.C.

2023 – 32 – Ordinance to Annex Property Contiguous to the Corporate Limits of the City of Daphne – Property Located Northeast of the intersection of Pollard Road and County Road 64 – O'Gwynn Properties, L.L.C.

2023 – 33 – Ordinance to Amend the City of Daphne's Employee Handbook – Sections 5.1, 7.2 and 10.3)

12. COUNCIL COMMENTS:

Councilwoman Conaway thanked the Eagle Scouts for great jobs on their project.

Councilman Olen gave special congratulations to Monica Kurth for her work on the Christ the King landscape and thanked the Beautification Committee for their time volunteered.

Councilman Scott thanked the Eagle Scouts for their projects and the Senior Center staff and volunteers for their work.

Councilwoman Phillips echoed the same sentiments about the Eagle Scouts, thanked the Junior Council and commended the Senior Center staff and volunteers.

13. ADJOURN:

THERE BEING NO FURTHER BUSINESS TO DISCUSS, COUNCIL ADJOURNED AT 6:43PM.

Respectfully submitted by,

____
Candace G. Antinarella, CMC, City Clerk

Certification of Presiding Officer,

____
Angie Phillips, Council President

CITY OF DAPHNE
FINANCE COMMITTEE MINUTES
AUGUST 21, 2023
4:30 P.M.

I. CALL TO ORDER/ROLL CALL

The meeting was called to order at 4:30 p.m.

Present were:

Chairman Mr. Doug Goodlin
Councilwoman Mrs. Tommie Conaway
Councilman Mr. Steve Olen
Councilman Mr. Joel Coleman
Councilman Mr. Ron Scott
Councilman Mr. Ben Hughes
Councilwoman Mrs. Angie Phillips

Also Present: Mayor Robin LeJeune, Finance Director Mrs. Kelli Reid, Accountant III Mrs. Suzânne Henson, Revenue Officer Mrs. Julie Koptis, Human Resource Director Mrs. Vickie Hinman, Assistant City Clerk Mrs. Jessica Linne, Executive Director of City Development Mr. Troy Strunk, Fire Chief Mrs. LeAnn Tacon, Director of Events and Marketing Mrs. Ange Baggett, Public Works Director Mr. Ronnie Huskey, City Engineer Josh Newman, Environmental Program Manager Ms. Jesi Ward, Library Director Tonja Young, and City Attorney Mr. Jay Ross.

II. PUBLIC PARTICIPATION

There was no public participation.

III. APPROVE MINUTES FOR THE PREVIOUS MEETING

The previous meeting minutes were approved.

IV. HUMAN RESOURCES BUSINESS

A. Update on Human Resources Department Activity

Mrs. Vickie Hinman reviewed the Human Resources Report:

- Posted/Reposted Positions – 8
- Reviewing/Testing/Interviewing/Background check - 14
- Promotion/Internal Transfer - 4
- New Hires – 9

Mrs. Hinman reviewed the monthly Safety Committee meeting topics and discussed other Human Resources projects and events.

- Advanced Supervisor Training (FMLA, Workers' Compensation, Payroll, Performance Evaluations)
- Benefits Fair August 1-3, 2023; Online Open Enrollment Implementation through Employee Self-Service Portal

Mrs. Hinman noted that the City's Fire Marshall, Chip Martin will be retiring the end of September. Mrs. Hinman handed out some charts and graphs showing the employee turnover rate for the last year and reviewed all information including all departments. The overall annual turnover rate was 14%. This information was requested at a previous meeting. Mrs. Hinman also noted that HR will start sending out a "get to know" write up for employees throughout the City.

V. BUSINESS LICENSE REPORT

A. Report: New Business Licenses – July, 2023

Mrs. Koptis reviewed the following reports and information:

- Code enforcement issued 0 warnings for July, 2023.
- New Businesses with a physical location in Daphne - 6
- Simplified Sellers Use Tax collections - $173,173.68 and YTD collections - $1,626,482.79
- Total Business Licenses issued were 38 new and 21 renewals for a total of 59 in July 2023

VI. SALES & LODGING TAX REPORT

A. Sales and Use Taxes: June, 2023

Mrs. Henson reviewed the Sales & Use Tax Reports: $2,415,350.44 was collected for June, 2023 which was up $50,226.38 from June 2022's collections:

- YTD Variance over Budget - $1,877,717.79

B. Lodging Tax Collections, June, 2023

Mrs. Henson reviewed the Lodging Tax Collections Report and noted the collections for June, 2023 were $175,558.12 which is down ($2,827.40) from June 2022's collections.

- YTD Variance over Budget - $29,363.95

Mrs. Reid noted that collections are down from June and this is most likely due to the Daphne Sports Complex being closed for the new turf installation.

C. **Lodging Tax Analysis Report, July, 2023**

Mrs. Reid reviewed the Lodging Tax Analysis report:

- Recreation balance for related purchases - $609,769.57
- Reserved balance for Bayfront related purchases - $2,861,879.19
- Reserved balance for Occupancy Fee - $146,996.00

VII. FINANCIAL SCHEDULES & REPORTS

A. Financial Reports

1. Treasurer's Report: July, 2023

Mrs. Reid reviewed the Treasurer's Report:

TREASURER'S REPORT As of July 31, 2023					
Account Type/Title	7/31/2023	6/30/2023	Increase (Decrease) from last Month	7/31/2022	Increase (Decrease) from Last Year
GENERAL FUND & ENTERPRISE FUNDS	$ 17,333,772	$ 16,823,144	$ 510,628	$ 13,952,606	$ 3,381,166
INVESTMENT FUND	10,206,829	10,198,918	7,911	10,526,458	$ (319,629)
CREDIT CARD ACCOUNT	-	-	-	53,501	$ (53,501)
Total Unrestricted Cash Balance	27,540,601	27,022,062	518,539	24,532,565	3,008,036
SPECIAL REVENUE FUNDS					
4 CENT GAS TAX	259,571	228,699	30,872	197,023	62,548
7 CENT GAS TAX	234,098	227,781	6,317	149,823	84,275
10 CENT GAS TAX	166,843	148,330	18,514	218,093	(51,250)
TREE & FLOWER	22,660	22,660	-	22,660	-
COVID RELIEF FUND	749,995	804,844	(54,849)	3,432,839	(2,682,844)
ANIMAL SHELTER FUND	460,247	748,920	(288,673)	1,041,102	(580,855)
MOBILE INFIRMARY BUILDING	30,872	49,109	(18,237)	-	30,872
FEDERAL DRUG FORFEITURES	195,187	196,138	(951)	240,404	(45,217)
LOCAL DRUG FORFEITURES	87,896	87,896	-	75,915	11,981
LIBRARY	47,086	23,372	23,714	28,667	18,419
COURT TRAINING & EQUIPMENT	42,165	41,741	425	42,839	(674)
COURT/CORRECTION	576,615	576,465	151	523,349	53,266
LODGING TAX	3,618,645	3,587,083	31,561	3,741,198	(122,553)
AGENCY FUNDS					
SELF INSURANCE	226,918	225,157	1,761	230,314	(3,396)
FLEX SPENDING	-	-	-	15,685	(15,685)
OPEB TRUST INVESTMENT FUND	1,227,891	1,214,594	13,297	958,192	269,699
	7,946,690	8,182,789	(236,099)	10,918,103	(2,971,413)
CAPITAL PROJECT FUNDS					
CAPITAL RESERVE	5,513,005	6,651,751	(1,138,746)	7,196,264	(1,683,259)
	5,513,005	6,651,751	(1,138,746)	7,196,264	(1,683,259)
DEBT SERVICE FUNDS					
DEBT SERVICE	7,478	(102,311)	109,789	37,477	(29,999)
Total Restricted Cash Balance	13,467,172	14,732,229	(1,265,057)	18,151,844	(4,684,671)
Total City Cash Balance	$ 41,007,773	$ 41,754,291	$ (746,518)	$ 42,684,409	$ (1,676,636)
	Encumbrance Total as of		7/31/2023	$ 174,808.31	

Mrs. Reid noted there was not any big changes but the Investment account was up. Discussion continued on the OPEB fund.

The Treasurer's Report as of* July, *2023 Total Unrestricted Cash Balance - $27,540,601 and Total City Cash Balance - $41,007,773 was presented to be filed for audit.

2. Encumbrance Report

- Encumbrance balance - $174,808.31 as of July, 2023.

Mrs. Reid reviewed the Encumbrance Report and noted a couple projects were completed and hopefully most will clear out by the end of the year.

3. Outstanding Appropriations

Mrs. Reid reviewed several projects on the Outstanding Appropriations report and noted the Ridgewood Sidewalk project is out to bid.

4. Financial Overview: Debt Summaries & Monthly Financial Statements

Mrs. Reid reviewed the following Financial Statements:

- Debt Summary Schedules (General & Enterprise Funds), July, 2023
  - Outstanding Warrant Balance as of July, 2023: $24,650,442
  - Outstanding Capital Lease Balance as of July, 2023:
    - General Fund: $741,029
    - Enterprise Fund: $800,417

- Monthly Financial Statements, June 2023
  - General Fund YTD Budgetary Net Income: $4,172,928 which is greater $720,733 than the prior YTD net income
  - Solid Waste Fund $328,810
  - Civic Center Fund $204,822

5. Summary of Budgetary Amendments

Mrs. Reid reviewed the General Fund budgetary amendments made to the FY2023 Budget.

- Total Appropriations Year to Date – $9,076,468.11
- Adjusted Expenses over Revenue – ($9,069,381.11)

6. Unfunded Future Projects Expenditure Summary

Mrs. Reid reviewed the Unfunded Future Projects Expenditure Summary and noted the Highway 98 Improvements and Pollard Road are getting really close to being ready to go out for bid.

B. **Bills Paid Reports – July, 2023**

The Bills Paid Report was previously presented electronically.

VIII. BIDS *(Resolution)*

A. 2023-U-Daphne Public Library Roof Repair Project & 2023-V-Ruff Wilson Roof Repair Project

Mrs. Reid noted the two roof projects were bid at the same time. The bids came in as follows: Ruff Wilson - $160,625 and Library - $231,200. Mrs. Reid noted that there is enough money to fund the Ruff Wilson project in the FY2023 Budget and she would like to place this bid on the September 5, 2023 meeting agenda. Mrs. Reid stated that monies have been included in the FY2024 Budget Proposal for the Library Roof project so that bid will be placed on the October 2, 2024 meeting agenda for consideration for award.

MOTION BY Mr. Scott to recommend to Council to award the 2023-U-Daphne Public Library Roof Repair Project bid to Dobson Sheet Metal and Roofing, Inc. for the Base Bid in the amount of $231,200 and additional unit cost as bid pending adoption of funding in the FY2024 Budget. Seconded by Mrs. Conaway. MOTION CARRIED UNANIMOUSLY

MOTION BY Mr. Scott to recommend to Council to award the 2023-V-Ruff Wilson Roof Repair Project bid to Dobson Sheet Metal and Roofing, Inc for the Base Bid in the amount of $160,625 and additional unit cost as bid. Seconded by Mrs. Conaway. MOTION CARRIED UNANIMOUSLY

B. 2023-X-Park Chemicals
Mrs. Reid reviewed the bid. The recommendation to award to FIS Outdoor was included in the packet.

MOTION BY Mr. Hughes to recommend to Council to award the 2023-X-Park Chemical bid to FIS Outdoor for unit cost bid. Seconded by Mrs. Phillips.
MOTION CARRIED UNANIMOUSLY

IX. APPROPRIATION REQUESTS: *(Ordinance)*

A. Palmetto Court Drainage Improvements - $95,665
Mrs. Reid noted quotes were received and the low quote was $95,665 from James Brothers Excavation. Mr. Newman stated most of the work is for the retaining wall and some drainage work. Discussion continued on the project.

MOTION BY Mr. Hughes to recommend to Council to adopt a Resolution amending the budget to appropriate $95,665 out of the COVID-19 Relief Fund for the Palmetto Court Drainage Improvements project. Seconded by Mr. Scott.
MOTION CARRIED UNANIMOUSLY

B. Animal Shelter – Donation Pamphlet
Mrs. Reid handed out an information pamphlet for donating options for the Animal Shelter. Discussion continued on all the donation options available for businesses and citizens to donate.

C. Animal Shelter - Removal of Asbestos Laden Pipe
Mrs. Reid discussed the need for the removal of the asbestos laden pipe and reviewed the estimate detail for related cost associated with the removal project. Ms. Ward discussed the procedure followed for the removal of the pipe. Discussion was made that the pipe could be taken to the County Landfill for disposal. Mrs. Reid discussed placing this item on the next Public Works meeting agenda after final cost was obtained for the removal of the pipe.

D. Animal Shelter – Daphne Utilities Tap Fees - $40,300
Mrs. Reid handed out an e-mail from the Utility Board concerning the Daphne Utilities tap fees that conflicted with the letter later received from the Utilities Board listing the fees that would be charged for the tap fees for the Daphne Animal Shelter. Discussion continued on the need for the Utilities Board and the City to be working together and partnering on City projects. Mrs. Phillips stated she would ask for this item to be placed on the next Utilities Board meeting agenda so it could be discussed by the Utilities Board.

E. Civic Center Chiller – Coils and Circuit Board Replacement - $353,250
Mrs. Reid reviewed the analysis spreadsheet listing the Civic Center chiller repair cost of $353,246 versus replacement cost of $511.071. Mr. Strunk noted the wall surrounding the chiller needs to be removed and replaced with a better ventilated wall/fencing. Mrs. Baggett explained the current wall does not allow proper ventilation and discussed problems the current wall construction was causing due to the lack of ventilation.

MOTION BY Mr. Scott to recommend to Council to adopt a Resolution amending the budget to appropriate $353,250 out of the General Fund for replacement of the coils and circuit board for the Civic Center chiller. Seconded by Mrs. Conaway.
MOTION CARRIED UNANIMOUSLY

X. SURPLUS

A. Surplus Property-V#315-2015 Chevy Tahoe, V#417-L-2017 Chevy Tahoe, V#1107-2005 GMC C8500 Dump Tk & EQ#49-1996 Asphalt Roller
The list of surplus equipment was included in the packet.

MOTION BY Mr. Scott to recommend to Council to declare certain property surplus and authorize the Mayor to dispose of the following surplus property: V#315-2015 Chevy Tahoe, V#417-L-2017 Chevy Tahoe, V#1107-2005 GMC C8500 Dump Tk & EQ#49-1996 Asphalt Roller. Seconded by Mr. Hughes.
MOTION CARRIED UNANIMOUSLY

XI. NEW BUSINESS

A. S & P Bond Rating – City of Daphne – AA+

Mrs. Reid reviewed the S & P Rating for the City of Daphne's Bond Rating. Mrs. Reid stated that the City had been assigned a AA+ rating for the anticipated $8.8 Million 2023 General Obligation Warrant. Mrs. Reid noted the rating is good for six months.

B. Authorizing Ordinance for 2023 Warrants

Mrs. Reid stated the Mayor will need to be given authority to sign all documents related to the 2023 Warrant Issue. Mrs. Reid noted the authorization should be for an amount not to exceed $10 million. Mrs. Reid noted that if the amount exceeds $10 million it would be brought back to Council to approve. Mrs. Reid requested to place the Authorizing Ordinance on the September 5, 2023 Council agenda and consideration be given to suspend the rules and adopt at that meeting.

MOTION BY Mr. Scott to recommend to Council to adopt an ordinance authorizing the Mayor to sign all documents needed to move forward with the 2023 Warrant Issue in an amount not to exceed $10 million. Seconded by Mr. Hughes.
MOTION CARRIED UNANIMOUSLY

XII. OLD BUSINESS

There was no old business discussed.

XIII. ADJOURN The meeting adjourned at 5:45 p.m.

August 14, 2023
PUBLIC SAFETY MEETING MINUTES
1705 MAIN STREET
DAPHNE, AL
4:30 P.M.

1. CALL TO ORDER:

There being a quorum present, Councilman Hughes called the meeting to order at 4:30pm.

2. ROLL CALL:

COUNCIL MEMBERS PRESENT: Council President Angie Phillips, Councilwoman Tommie Conaway, Councilmen Steve Olen, Joel Coleman, Ron Scott, Benjamin Hughes and Councilman Goodlin..

ABSENT: None

Also Present: Mayor LeJeune, Candace Antinarella, City Clerk; Patrick Dungan, City Attorney; Troy Strunk, City Development; Chief Tacon Fire Department; Chief Gulsby, Police Department.

3. PUBLIC PARTICIPATION: None.

4. APPROVAL OF MINUTES FROM PREVIOUS MEETING

Minutes from July 10, 2023 Public Safety meeting were approved as presented.

5. POLICE DEPARTMENT

Old Business: Chief Gulsby went over D-Runs for the prior month**.**

New Business: Chief Gulsby spoke about an incident involving an evacuation at WJ Carroll. Steam caused alarm in the cafeteria. Also, an 11 year old had caused alarm at the school stating there was going to be a shooting at the school. Response was quick, the school was cleared shortly after they were able to narrow down the source. Police responded to his house to find him, staying at the location with his grandmother. Parents were on their way out of town. Police responded to a suspicious box in the Walmart Parking Lot. Mobile's bomb squad also assisted. The box turned out to be a battery box for a charging panel.

6. FIRE DEPARTMENT:

Old Business: Chief Tacon advised there were 4 incidents in July where Daphne FD escorted for medical response.

New Business: Chief Tacon mentioned the Lowe's fire calls in which the Daphne Fire Department responded to recently. This was a result of a lithium battery on a lawn mower catching fire.

New Fire Truck Purchase Discussion: Chief explained there were meetings scheduled to speak with vendors and go over specs. They have not received official quotes at this time. They are looking two both options. The options involved discounts, one for a Bulk purchase, and the other for a prepaid purchase discount. Council requested additional information regarding the two options for new fire trucks.

7. OTHER BUSINESS: None

4:52 p. m. **ADJOURNMENT**

COMMUNITY DEVELOPMENT
INTERNAL MEMORANDUM

Daphne
ALABAMA

DATE: August 25, 2023

TO: Office of the City Clerk

FROM: Adrienne Jones, AICP, Director of Community Development

SUBJECT: Planning Commission Minutes and Report

Attached please find a copy of the approved minutes for the City of Daphne Planning Commission regular meeting of the July 27, 2023 and the report of the regular meeting of August 24, 2023 for placement on the September 5, 2023 City Council agenda for review.

Should you have any questions or comments in this regard, please do not hesitate to call.

ADJ/jv

The City of Daphne
Planning Commission Minutes
Regular Meeting of July 27, 2023
Council Chamber, City Hall - 5:00 P.M.

Call to Order:

The Chairman called the regular meeting of the City of Daphne Planning Commission to order at 5:02 p.m. The number of members present constitutes a quorum.

Call of Roll:

Members Present:

Kevin Spriggs, Secretary
John Peterson, Vice Chairman
Ronnie Huskey
Andrew Prescott, Chairman
Richard Johnson
Steve Olen

Staff Present:

Adrienne Jones, AICP, Director of Community Development
Jan Vallecillo, Planning Coordinator
Patrick Dungan, Attorney
Troy Strunk, Executive Director, City Development
Joshua Newman, City Engineer
Jesi Ward, Environmental Programs Manager

The Chairman asked for input regarding the June 22, 2023 regular meeting minutes presented by staff. There being none, minutes stand approved as submitted.

Chairman called for the next order of business: Caliber Collision.

An introductory presentation was given by the agent, Todd Burnette.

Chairman advised that staff comments have been addressed and asked for Commission questions or comments.

Mrs. Jones stated the final step pending is the finalization of the re-plat of Lots 2 and 3 and advised that the application is under review and staff is working through minor changes.

Hearing no comments from the commissioners, the Chairman called for a motion.

A motion was made by Mr. Olen and seconded by Mr. Peterson to approve Caliber Collision site plan contingent upon the recording of the associated re-plat of Lots 2 and 3 in Probate Records. There was no discussion. The motion carried unanimously.

Chairman announced that Pollard Road Apartments has been tabled by the applicant to the meeting of August 24, 2023.

Chairman announced that Foosackly's has been tabled by the applicant to the meeting of August 24, 2023.

Chairman called for the next order of business: Master Plan Revision and Preliminary/Final Review for Oak Grove Estates and Preliminary Plat Review for Oak Grove Estates, Phase One.

An introductory presentation was given by the agent, Jason Wooten. He provided an overview of the master plan revision and proposed subdivisions as presented on the meeting agenda. He stated that the master plan consists of ninety-two residential lots with nine estate size lots on Pollard Road, eighty-three smaller future lots to the east with access to Daintree Court and Stratford Glen Drive, the remainder of the property is mainly wetlands, and there is a strip of land for a future access. Applicant also is presenting a preliminary/final plat to split the property into three lots and a preliminary plat of phase one, a twenty-two point three-two acre parcel located on the east side of Pollard Road immediately north of Creekside Subdivision. He advised that staff comments have been addressed with the exception of storm water drainage.

Chairman asked about the easement shown on the master plan revision in Phase Two and if the City plans to construct the road. Mr. Wooten advised the intent of the easement is to provide a strip of land abutting the City's property to the north for a right-of-way for future use. He stated as a compromise to providing the connection, applicant wishes to dedicate land for a future use to address concerns about providing an access to the second phase.

Mr. Johnson agreed this would provide an opportunity to connect the right-of-way of Pollard Road to the northernmost street in phase two of this development in the future.

Mr. Olen reiterated that the Planning Commission conditioned the approval of the subdivision upon providing an access easement to future phases.

Mr. Wooten stated that he wishes to move forward with the presentation and public hearing for input, but will request to table the applications until the next regular meeting.

Mrs. Jones clarified the note contained in the staff report of March 23, 2023 for the South Branch preliminary/final subdivision plat as follows: "The Commission deemed it appropriate for a note to be added to ensure that a future connection to Lot 2 is established and that construction access for future phases will be directed to Pollard Road. Said note and future easement and stub-out to the east were added." The note was on the preliminary/final plat and drawn on the master plan.

Mrs. Jones commented that she would prefer, since we have citizens present, to continue with the public hearing portion, then applicant can request to table the associated applications.

Mr. Johnson compared the recently approved master plan and the subsequent subdivision applications for one hundred and fifty-six residential lots to the current request asking us to consider ninety-two lots on the same area. He discussed the overall density reduction; temporarily crossing the wetlands and remediating the impacts; and the potential challenge of building the infrastructure.

Mr. Wooten stated with the previous layout, it made sense to have the connector, but the estate lots no front on Pollard Road.

Mr. Spriggs commented about the reduction of overall density, addition of larger lots and the expectations as outlined on the master plan.

Chairman asked is the applicant prepared to proceed. Mr. Wooten advised that he wants to table the respective applications upon the conclusion of Commission discussion and public input.

The Chairman opened the floor for the public hearing.

Mrs. Jones outlined the applications presented for the public hearing. She stated the first agenda item for Oak Grove Estates is a request to create three lots. The purpose of the subdivision is to create a lot for the subject property presented on the next application Oak Grove Estates, Phase One of which they are proposing to develop into nine lots.

Beth Navarro, 27675 Rhone Drive, spoke in opposition and expressed concerns about drainage, construction of a bridge, traffic and construction vehicles.

Hal Kerkhoff, 8651 Danube Court, spoke in opposition and expressed concerns about the elimination of the turn lane and the requirement of monument signage to identify each subdivision.

Tom Marshall, 8656 Danube Court, spoke in opposition and expressed concerns about the construction of a bridge and delaying the connection until the development of phase two, the performance bond requirement, and requested consideration of the development of the estate size lots at Daintree Court and Stratford Glen Drive.

The Chairman closed the floor to the public hearing and offered the agent the opportunity for rebuttal.

Chairman asked about public notice. Mrs. Jones stated the public notice is the Commission's determination tonight. If the Commission tables the agenda items, it will be on regular meeting agenda of August 24, 2023.

During rebuttal, Mr. Wooten stated that the turn lane warranted by the traffic study would be required during the construction of phase two. He stated a performance bond would not be required because we do not have any environmental impact to the wetlands and outlined the proposed location of the monument signs for the subdivision.

Chairman asked for Commission questions or comments. Mr. Peterson read Section 11-13, Sewer Connections, of the Land Use Ordinance, which states, "Sanitary sewer for multiple customers shall be gravity systems." The preliminary plat for phase one is proposing a low-pressure system and that is not acceptable in the City of Daphne or its planning jurisdiction, except with the approval of the Planning Commission. There should be a formal request submitted to the Commission relative to the design represented on the utility plan.

Mr. Peterson asked were covenants presented with the application prohibiting a further subdivision of the lots. Mrs. Jones advised that there is a note on the master plan and preliminary plat for phase one that states that Lots 1-9 may not be further subdivided.

Mr. Spriggs asked could the owner present a master plan revision to develop smaller lots on Pollard Road. Mrs. Jones advised that they would not be able to unless the Planning Commission amends the plat to remove that note.

Mr. Johnson asked why the developer is not proposing to connect to the existing gravity system. Mr. Wooten stated the previous Environmental Programs Manager discouraged encroachment into the wetlands, but advised that phase two must connect to that system.

Hearing no further comments from the Commissioners, the Chairman called for a motion to table the associated applications.

A motion was made by Mr. Olen and Seconded by Mr. Spriggs *to table the master plan revision for Oak Grove Estates. There was no discussion. The motion carried unanimously.*

A motion was made by Mr. Olen and seconded by Mr. Spriggs to table the Oak Grove Estates preliminary/final subdivision plat. There was no discussion. The motion carried unanimously.

A motion was made by Mr. Olen and seconded by Mr. Spriggs to table Oak Grove Estates, Phase One preliminary subdivision plat. There was no discussion. The motion carried unanimously.

Chairman called for the next order of business: Simms, a Resubdivision of Lot 1C, Simms-Foster Preliminary/Final Review.

An introductory presentation was given by the agent, Aaron Collins. He summarized the proposed subdivision as presented on the meeting agenda.

The Chairman opened the floor for public hearing. The floor was closed after no one came forward to speak.

Hearing no further comments from the commissioners, the Chairman called for a motion.

A motion was made by Mr. Olen and seconded by Mr. Spriggs to approve Simms, a Resubdivision of Lot 1C, Simms-Foster Preliminary/Final plat. There was no discussion. The motion carried unanimously.

Chairman announced that Small's Smokehouse Master Plan and Request for Sidewalk Exemption have been tabled by the applicant to the meeting of August 24, 2023.

Chairman called for the next order of business: public participation.

The Chairman opened the floor for public participation. The floor was closed after no one came forward to speak.

Chairman called for the next order of business: attorney's report.

Mr. Dungan had no report.

Chairman called for the next order of business: commissioner's comments.

Chairman thanked Richard Johnson for his insight on projects as a new member of the Planning Commission.

Chairman called for the next order of business: director's comments.

None presented.

There being no further business, the meeting was adjourned at 5:45 p.m.

Respectfully submitted by:

Jan Vallecillo

Jan Vallecillo, Planning Coordinator

Approved: August 24, 2023

Andrew Prescott

Andrew Prescott, Chairman

CITY OF DAPHNE
PLANNING COMMISSION AGENDA
REGULAR MEETING OF AUGUST 24, 2023 **Report** 6
COUNCIL CHAMBERS, CITY HALL - 5:00 P.M.

1. **CALL TO ORDER:** 5:00 p.m.

2. **CALL OF ROLL:** Andrew Prescott, Ronnie Huskey, Steve Olen, John Peterson, Kevin Spriggs and Adam Manning

3. **APPROVAL OF MINUTES:** Review of minutes of the regular meeting of July 27, 2023. (Approved)

4. **OLD BUSINESS:**

A. **OAK GROVE ESTATES MODIFICATION TO WETLAND BUFFER REQUIREMENT, MASTER PLAN REVISION, PRELIMINARY/FINAL AND OAK GROVE ESTATES, PHASE ONE PRELIMINARY PLAT:**

1. **Request for modification to buffer requirement for wetland area. (Tabled by applicant until the regular meeting of September 28, 2023)**

2. **File MPA22-02:**

Presentation to be given by Jason Wooten, Wooten Engineering, requesting a master plan revision of Oak Grove Estates. (Tabled by applicant until the regular meeting of September 28, 2023)

3. **File SDPF23-06: (Tabled by applicant until the regular meeting of September 28, 2023)**

Subdivision:	**Oak Grove Estates**
Zoning:	***R-3, High Density Single Family Residential***
Location:	East side of Pollard Road, north of Creekside Subdivision
Area:	79.72 Acres ±, (3) lots
Owner(s):	S. Hickory, Inc. - Charles K. Breland, Jr.
Surveyor:	Smith, Clark & Associates - Hunter Smith
Engineer:	Wooten Engineering - Jason Wooten

4. **File SDP23-06: (Tabled by applicant until the regular meeting of September 28, 2023)**

Subdivision:	**Oak Grove Estates, Phase 1, a Resubdivision of Lot 1**
Zoning:	***R-3, High Density Single Family Residential***
Location:	East side of Pollard Road, north of Creekside Subdivision
Area:	22.32 Acres ±, (9) lots
Owner(s):	S. Hickory, Inc. - Charles K. Breland, Jr.
Surveyor:	Smith, Clark & Associates - Hunter Smith
Engineer:	Wooten Engineering - Jason Wooten

5. **NEW BUSINESS:**

A. **WILSON PLACE PRELIMINARY/FINAL AND PRELIMINARY PLATS:**

1. **File SDPF23-08:** (Approved)

Subdivision:	**Wilson Place, Phase One**
Present Zoning:	***R-2, Medium Density Single Family Residential***
Area:	1.46 Acres ±, (3) lots
Location:	At the southwest intersection of Pollard Road and Wilson Avenue
Agent:	Dewberry - Cathy Barnette
Developer:	Acre Development - Cory Bronenkamp
Owner:	Eunice Lett-Coleman

2. **File SDP23-07:** (**Approved**)

Subdivision:	**Wilson Place, Phase Two**
***Present Zoning*:**	***R-1, Low Density Single Family Residential***
Area:	3.82 Acres ±, (6) lots
Location:	At the northwest intersection of Pollard Road and Wilson Avenue
Agent:	Dewberry - Cathy Barnette
Developer:	Acre Development - Cory Bronenkamp
Owner:	Eunice Lett-Coleman

B. SMALL'S SMOKEHOUSE MASTER PLAN AND REQUEST FOR SIDEWALK EXEMPTION:

1. **File MPA23-03: (Approved)**

Presentation to be given by Scott Hutchinson, Goodwyn, Mills and Cawood, requesting a master plan of Small's Smokehouse.

2. **Request for sidewalk exemption (Approved request to modify sidewalk requirement with a condition that the owner shall provide the city with an easement for public access)**

C. ADMINISTRATIVE PRESENTATION:

1. **PROPOSED AMENDMENTS TO THE LAND USE AND DEVELOPMENT ORDINANCE:**

File AP23-08: (No Action Taken)

Presentation to be given by Adrienne Jones, Director of Community Development, regarding the proposed amendments to the Land Use and Development Ordinance for: Article 8; Definition of Terms, Article 11, Minimum Standards and Required Improvements for Subdivisions and Commercial Site Developments; Article 13, District Requirements; Article 15, Procedures for Site Plan Review; Article 17, Procedures for Subdivision Review; Article 18, Drainage, Storm Water Management Facilities and Erosion/Sediment Review; Article 19, Landscape Standards for Tree Protection; Article 21; The Board of Zoning Adjustments, Article 30, Planned Unit Development District; and Article 34, Schedule of Fees.

6. **PUBLIC PARTICIPATION:** None presented.

7. **ATTORNEY'S REPORT:** No report.

8. **COMMISSIONER'S COMMENTS:** None presented.

9. **DIRECTOR'S COMMENTS**: Director requested to tentatively set a special called meeting to be held on September 14, 2023 to discuss the Comprehensive Plan update.

10. **ADJOURNMENT:** 5:25 p.m.

City of Daphne
Event Permit Application

TYPE OF PERMIT: [X] Special Event/Fundraiser [ ] Parade/Run (Streets Use) [ ] Walk (Sidewalks Only) [ ] Athletic Complex/Sporting Event [ ] Other: ______

APPLICANT & ORGANIZATION INFORMATION

ORGANIZATION NAME: Supporting Educational Enrichment in Daphne's Schools, Inc.

APPLICANT NAME: Beth Dunn, Executive Director

STREET: 25122 Jernigan Street CITY, STATE, ZIP: Daphne, AL 36526

CONTACT PHONE: 251-581-0141 EMAIL: seedsindaphne@gmail.com

"ON SITE" CONTACT PERSON DAY OF EVENT: Beth Dunn, Executive Director

CELL PHONE: 251-581-0141 EMAIL: seedsindaphne@gmail.com

EVENT INFORMATION

EVENT NAME: CRAWFISH FOR THE CLASSROOM

TYPE OF/PURPOSE OF EVENT: Ticked Crawfish boil fundraiser for Daphne public schools

EVENT DATE: March 9, 2024 TIME (START- END): 4-7

ASSEMBLY TIME: Noon # PARTICIPANTS/VEHICLES: 700 Participants

EVENT LOCATION: Daphne City Hall lawn and parking lot - 1705 Main Street, Daphne, AL 36526

FULL DESCRIPTION OF EVENT (PLEASE LIST ANY TENTS, STAGING, PORT-O-LETS, OR SIMILAR ITEMS THAT WILL BE USED ON-SITE): Crawfish for the Classroom fundraiser takes place on the grounds of City Hall. Tickets to the event will sold in advance and on site the day of the event. Separate tickets for 12 ounces draft beer & hard seltzer cans will be sold at the event. SEEDS board members will be checking ID's placing over 21 bands on those eligible to purchase alcohol. SEEDS will hire three Daphne Police officers for crowd control and to enforce ID's. Baldwin County portables will supply portable restrooms and sinks. We will need tables and tents for the City public works department. I will fill out their equipment rental form. Eastern Shore inflatables will supply bounce house. Miller's Grand Events will supply stage.

SPECIAL REQUESTS

ROAD CLOSURE(S) REQUESTS: [x] Yes* [ ] No *If Yes, please indicate which City Route is requested: ____________

WILL YOUR EVENT REQUIRE BARRICADES: [x] Yes* [ ] No *If Yes, please indicate quantity & location: ___________

WILL YOUR EVENT REQUIRE ELECTRICITY: [x] Yes* [ ] No *If Yes, you must provide your own extension cords

WILL YOUR EVENT REQUIRE WATER: [x] Yes* [ ] No *If Yes, you must provide your own hose(s)

OTHER SPECIAL ITEMS FOR RENT:

TENTS: 20' X 40' # 2 X $321.00 10' X 10' # 5 X $123.00/EACH

TABLES: 8' L # 75 X $45.00/EACH CHAIRS: # 600 X $12.00/EACH

OTHER SPECIAL REQUESTS: ____

MARKETING & COMMUNICATIONS

PLEASE NOTE: As a City permitted event, the City of Daphne should be listed as a sponsor on all marketing materials promoting your event, such as, but not limited to, posters, social media outlets, website(s), t-shirts, promo items, etc. It is the event organizer's responsibility to request the official City logo from our Marketing & Events Depa[rtment in] proper format. No other City of Daphne logo should be utilized. Please initial acknowledgement: BD

Is your event open to the general public? [x] Yes* [ ] No
* If Yes, do you wish for your event to be listed and/or shared on: www.daphneal.com? [x] Yes [ ] No
Facebook.com? [x] Yes [ ] No Instagram? [x] Yes [ ] No LinkedIn? [ ] Yes [x] No

MARKETING CONTACT (IF DIFFERENT THAN EVENT APPLICANT OR "ON SITE" EVENT CONTACT):

NAME: ____________________ CONTACT PHONE: ____________________

OTHER MARKETING REQUESTS: ____

REVENUE/BUSINESS LICENSE

WILL SALES BE GENERATED AT YOUR EVENT: [x] Yes** [ ] No ** If Yes, please provide your City of Daphne Business License Number here: ____________________

PLEASE NOTE: If you are providing food trucks or other third-party vendors, they MUST be a licensed business with the City of Daphne.

INDEMNITY & HOLD HARMLESS AGREEMENT

In consideration of the permission granted to me by the City of Daphne to use grounds, sidewalks, and/or streets, I hereby indemnify and hold harmless the City of Daphne, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third party using the grounds, sidewalks, and/or streets who are injured or suffer property damage that is in any way caused by my use of the grounds, sidewalks, and/or streets. This indemnity and hold harmless agreement is given to the City of Daphne to protect the City and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of grounds, sidewalks, and/or streets.

Further, I have read and understand all rules and regulations according to the City of Daphne Ordinance No. 2017-35 as set forth by the governing body of the City of Daphne and will abide by these rules and regulations. I understand that damage to City property, grounds, sidewalks, and/or streets can and will results in additional fees. I also understand that if at any time the City of Daphne appointed Law Enforcement, Code Enforcement, or other personnel feel that said rules and regulations are not being followed the function will be terminated with no refund of said fees.

I have read and understand the above, including the cancellation and indemnity policies.

APPLICANT SIGNATURE: Beth Dunn DATE: 08/21/2023

INTERNAL USE ONLY

DATE REC'D: 8-21-2023 CITY CLERK: ____

FIRE DEPT: ____ APPROVED ROUTE: ____

POLICE DEPT: ____ ROUTE MAP ATTACHED: ☐ Yes ☐ No

PUBLIC WORKS: ____

SPORTS & RECREATION: ____ EVENT FEE: ☐ Paid $____ CHK# ____

MARKETING & EVENTS: ____ ☐ Waived: ____

** REVENUE: ____ PROOF OF INSURANCE REC'D: ☐ Yes ☐ No

City of Daphne
Event Permit Application

TYPE OF PERMIT: ☑ Special Event/Fundraiser ☐ Parade/Run (Streets Use) ☐ Walk (Sidewalks Only) ☐ Athletic Complex/Sporting Event ☐ Other: ______

APPLICANT & ORGANIZATION INFORMATION

ORGANIZATION NAME: Eastern Shore Children's Business Fair

APPLICANT NAME: Lynne Holloway

STREET: PO Box 921 CITY, STATE, ZIP: Montrose, AL 36559-0921

CONTACT PHONE: 251-391-2286 EMAIL: easternshoreCBF@gmail.com

"ON SITE" CONTACT PERSON DAY OF EVENT: Lynne Holloway

CELL PHONE: Same EMAIL: same

EVENT INFORMATION

EVENT NAME: Eastern Shore Children's Business Fair

TYPE OF/PURPOSE OF EVENT: kids entrepreneurship/arts+crafts fair

EVENT DATE: 10/28/23 TIME (START- END): 10 am - 1pm

ASSEMBLY TIME: 8:30 # PARTICIPANTS/VEHICLES: 50

EVENT LOCATION: Centennial Park - Daphne

FULL DESCRIPTION OF EVENT (PLEASE LIST ANY TENTS, STAGING, PORT-O-LETS, OR SIMILAR ITEMS THAT WILL BE USED ON-SITE): ESCBF is a one-day marketplace for children who "own" their own businesses. We will set up 30-40 booths. Some may include small tail-gating type tents.

SPECIAL REQUESTS

ROAD CLOSURE(S) REQUESTS: ☐ Yes* ☑ No *If Yes, please indicate which City Route is requested: ____________

WILL YOUR EVENT REQUIRE BARRICADES: ☐ Yes* ☑ No *If Yes, please indicate quantity & location: __________

WILL YOUR EVENT REQUIRE ELECTRICITY: ☐ Yes* ☑ No *If Yes, you must provide your own extension cords

WILL YOUR EVENT REQUIRE WATER: ☐ Yes* ☑ No *If Yes, you must provide your own hose(s)

OTHER SPECIAL ITEMS FOR RENT:

TENTS: 20' X 40' # ______________ X $321.00 10' X 10' # ______________ X $123.00/EACH

TABLES: 8' L # ______________ X $45.00/EACH CHAIRS: # ______________ X $12.00/EACH

OTHER SPECIAL REQUESTS: ____

MARKETING & COMMUNICATIONS

PLEASE NOTE: As a City permitted event, the City of Daphne should be listed as a sponsor on all marketing materials promoting your event, such as, but not limited to, posters, social media outlets, website(s), t-shirts, promo items, etc. It is the event organizer's responsibility to request the official City logo from our Marketing & Events Department in a proper format. No other City of Daphne logo should be utilized. Please initial acknowledgement: LH

Is your event open to the general public? ☑ Yes* ☐ No

* If Yes, do you wish for your event to be listed and/or shared on: www.daphneal.com? ☑ Yes ☐ No

Facebook.com? ☑ Yes ☐ No Instagram? ☑ Yes ☐ No LinkedIn? ☑ Yes ☐ No

MARKETING CONTACT (IF DIFFERENT THAN EVENT APPLICANT OR "ON SITE" EVENT CONTACT):

NAME: Lynne Holloway CONTACT PHONE: 251-391-2286

OTHER MARKETING REQUESTS: We would appreciate any and all marketing and advertising through the city

REVENUE/BUSINESS LICENSE

WILL SALES BE GENERATED AT YOUR EVENT: ☑ Yes** ☐ No ** If Yes, please provide your City of Daphne Business License Number here: children's "businesses" - no license

PLEASE NOTE: If you are providing food trucks or other third-party vendors, they MUST be a licensed business with the City of Daphne.

INDEMNITY & HOLD HARMLESS AGREEMENT

In consideration of the permission granted to me by the City of Daphne to use grounds, sidewalks, and/or streets, I hereby indemnify and hold harmless the City of Daphne, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third party using the grounds, sidewalks, and/or streets who are injured or suffer property damage that is in any way caused by my use of the grounds, sidewalks, and/or streets. This indemnity and hold harmless agreement is given to the City of Daphne to protect the City and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of grounds, sidewalks, and/or streets.

Further, I have read and understand all rules and regulations according to the City of Daphne Ordinance No. 2017-35 as set forth by the governing body of the City of Daphne and will abide by these rules and regulations. I understand that damage to City property, grounds, sidewalks, and/or streets can and will results in additional fees. I also understand that if at any time the City of Daphne appointed Law Enforcement, Code Enforcement, or other personnel feel that said rules and regulations are not being followed the function will be terminated with no refund of said fees.

I have read and understand the above, including the cancellation and indemnity policies.

APPLICANT SIGNATURE: L. Holloway DATE: 8/23/23

INTERNAL USE ONLY

DATE REC'D: 08-23-2023

CITY CLERK: ____________________

FIRE DEPT: L.G Tavor

APPROVED ROUTE: ____________________

POLICE DEPT: ____________________

ROUTE MAP ATTACHED: ☐ Yes ☐ No

PUBLIC WORKS: ____________________

SPORTS & RECREATION: ____________________

EVENT FEE: ☐ Paid $__________ CHK# __________

MARKETING & EVENTS: ____________________

☐ Waived: ____________________

** REVENUE: ____________________

PROOF OF INSURANCE REC'D: ☐ Yes ☐ No

City of Daphne
Event Permit Application

TYPE OF PERMIT: ☐ Special Event/Fundraiser ☒ Parade/Run (Streets Use) ☐ Walk (Sidewalks Only)
☐ Athletic Complex/Sporting Event ☐ Other: ____________________

APPLICANT & ORGANIZATION INFORMATION

ORGANIZATION NAME: Dahne High School Homecoming Committee

APPLICANT NAME: Lt Col (Ret) Douglas Goodlin

STREET: 9300 Champions Way CITY, STATE, ZIP: Daphne, AL. 36526

CONTACT PHONE: 251-626-0096 EMAIL: dgoodlin@bcbe.org

"ON SITE" CONTACT PERSON DAY OF EVENT: Lt Col Goodlin

CELL PHONE: 251-366-2744 EMAIL: dgoodlin@bcbe.org

EVENT INFORMATION

EVENT NAME: Daphne High School Homecoming Parade

TYPE OF/PURPOSE OF EVENT: Celebrate Daphne HS Homecoming Game

EVENT DATE: 28 Sep 2023 TIME (START- END): 1800 (6 PM)

ASSEMBLY TIME: 1630 (4:30 PM) # PARTICIPANTS/VEHICLES: 300/30

EVENT LOCATION: Daphne Parade Route # 7

FULL DESCRIPTION OF EVENT (PLEASE LIST ANY TENTS, STAGING, PORT-O-LETS, OR SIMILAR ITEMS THAT WILL BE USED ON-SITE): Expect up to 12 Homecoming Cars, 4 marching units
Up to 25 school organization floats or flatbed trucks
Request Fire Department vehicle to bring up rear of parade
Request Police Department vehicle to lead parade
Request PW to provide sufficient barriers for safe parade

SPECIAL REQUESTS

ROAD CLOSURE(S) REQUESTS: ■ Yes* ☐ No *If Yes, please indicate which City Route is requested: Main St.

WILL YOUR EVENT REQUIRE BARRICADES: ■ Yes* ☐ No *If Yes, please indicate quantity & location: Along Main Street, College Avenue, Sixth Street and Belrose Avenue

WILL YOUR EVENT REQUIRE ELECTRICITY: ■ Yes* ☐ No *If Yes, you must provide your own extension cords

WILL YOUR EVENT REQUIRE WATER: ☐ Yes* ■ No *If Yes, you must provide your own hose(s)

OTHER SPECIAL ITEMS FOR RENT:

TENTS: 20' X 40' # ______ X $321.00 10' X 10' # ______ X $123.00/EACH

TABLES: 8' L # ______ X $45.00/EACH CHAIRS: # ______ X $12.00/EACH

OTHER SPECIAL REQUESTS: Pep Rally in Civic Center Auditorium at conclusion of of parade. Will use stage, sound system and lights.

MARKETING & COMMUNICATIONS

PLEASE NOTE: As a City permitted event, the City of Daphne should be listed as a sponsor on all marketing materials promoting your event, such as, but not limited to, posters, social media outlets, website(s), t-shirts, promo items, etc. It is the event organizer's responsibility to request the official City logo from our Marketing & Events Department in a proper format. No other City of Daphne logo should be utilized. Please initial acknowledgement: DGG

Is your event open to the general public? ■ Yes* ☐ No

* If Yes, do you wish for your event to be listed and/or shared on: www.daphneal.com? ■ Yes ☐ No

Facebook.com? ■ Yes ☐ No Instagram? ☐ Yes ☐ No LinkedIn? ☐ Yes ☐ No

MARKETING CONTACT (IF DIFFERENT THAN EVENT APPLICANT OR "ON SITE" EVENT CONTACT):

NAME: Kat Robinson CONTACT PHONE: 251-626-8787

OTHER MARKETING REQUESTS: Instagram and Linked in by City Marketing as well.

REVENUE/BUSINESS LICENSE

WILL SALES BE GENERATED AT YOUR EVENT: ☐ Yes** ■ No ** If Yes, please provide your City of Daphne Business License Number here: ______

PLEASE NOTE: If you are providing food trucks or other third-party vendors, they MUST be a licensed business with the City of Daphne.

DHS Home Coming Parade

INDEMNITY & HOLD HARMLESS AGREEMENT

In consideration of the permission granted to me by the City of Daphne to use grounds, sidewalks, and/or streets, I hereby indemnify and hold harmless the City of Daphne, its agents, servants and employees from any and all claims and causes of action that may arise from injury to me or third party using the grounds, sidewalks, and/or streets who are injured or suffer property damage that is in any way caused by my use of the grounds, sidewalks, and/or streets. This indemnity and hold harmless agreement is given to the City of Daphne to protect the City and its agents, servants, and employees from cost of defense and claims for injuries and damages that may be caused either directly or indirectly by my use of grounds, sidewalks, and/or streets.

Further, I have read and understand all rules and regulations according to the City of Daphne Ordinance No. 2017-35 as set forth by the governing body of the City of Daphne and will abide by these rules and regulations. I understand that damage to City property, grounds, sidewalks, and/or streets can and will results in additional fees. I also understand that if at any time the City of Daphne appointed Law Enforcement, Code Enforcement, or other personnel feel that said rules and regulations are not being followed the function will be terminated with no refund of said fees.

I have read and understand the above, including the cancellation and indemnity policies.

APPLICANT SIGNATURE: Douglas Goodlin Digitally signed by Douglas Goodlin Date: 2023.07.19 09:09:49 -05'00' DATE: 2023 17 Aug

INTERNAL USE ONLY

DATE REC'D: 8-17-2023 CITY CLERK: ____

FIRE DEPT: [signature] APPROVED ROUTE: ____

POLICE DEPT: [signature] ROUTE MAP ATTACHED: ☐ Yes ☐ No

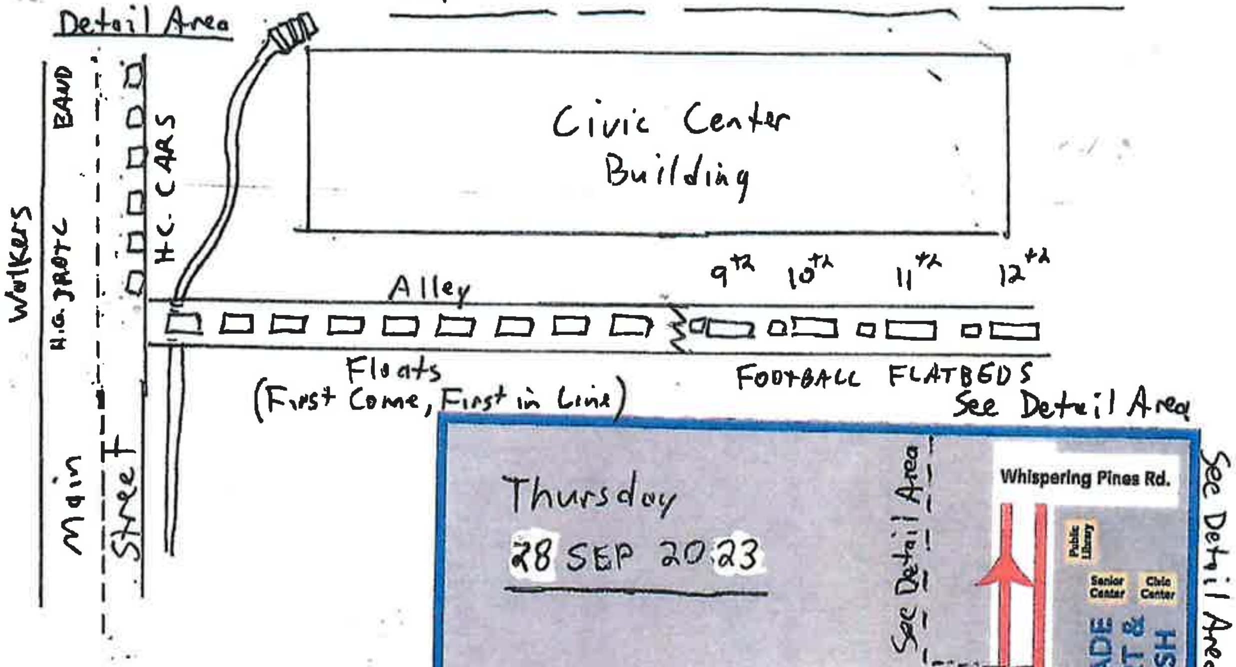
PUBLIC WORKS: [signature]

SPORTS & RECREATION: CMcD[signature] EVENT FEE: ☐ Paid $____ CHK# ____

MARKETING & EVENTS: ____ ☐ Waived: ____

** REVENUE: ____ PROOF OF INSURANCE REC'D: ☐ Yes ☐ No

DAPHNE H.S. HOMECOMING PARADE



- ☐ Parade Starts at 6 PM.
- ☐ FLOATS LINE UP IN ALLEY BEHIND C.C.
- ☐ H.C. CARS WILL LINE UP ALONG MAIN STREET WHEN BLOCKED OFF.
- ☐ WALKER UNITS (JROTC, BAND) WILL LINE UP ON MAIN ST. ALONGSIDE H.C. CARS WHEN BLOCKED OFF.

QUESTIONS ??
CONTACT LT COL
GOODLIN - 626-0096
OR
ROOM 514

- ☐ Pep rally in Daphne Civic Center Auditorium at the conclusion of the parade!

CITY OF DAPHNE, ALABAMA
RESOLUTION 2023- 44

APPROPRIATION: PALMETTO COURT DRAINAGE IMPROVEMENTS

WHEREAS, Ordinance 2022-59 approved and adopted the Fiscal Year 2023 Budget on September 19, 2022; and

WHEREAS, subsequent to the adoption of the Fiscal Year 2023 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2023 budget; and

WHEREAS, drainage improvements are needed at Palmetto Court and quotes have been received for the Palmetto Court Drainage Improvement Project with a total project cost of $95,665; and

WHEREAS, the City wishes to use a portion of the Coronavirus State and Local Recovery Funds (SLFRF) received pursuant to the American Rescue Plan Act (ARPA) for funding this project; and

WHEREAS, the City has elected to take a standard allowance of up to $10 million in revenue loss as allowed by the U.S. Department of Treasury and deemed its SLFRF funds to be used to provide government services under this allowance; and

WHEREAS, the City has determined this project qualifies as government services.

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

1. Funds in the amount of **$95,665** from the **COVID-19 Relief Fund** are appropriated and made a part of the Fiscal Year 2023 budget for the City's portion of the project herein described.

2. The Mayor is hereby authorized and directed to do or perform or cause to be done or performed in the name of and behalf of the City such other acts, and to execute, deliver, file and record such other instruments, documents, certificates, notifications and related documents, all as shall be required by law or necessary or desirable to carry out the provisions and purposes of this resolution.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA this _______ day of _______________, 2023.

____
Robin LeJeune, Mayor

ATTEST:

____
Candace G. Antinarella, City Clerk, CMC

CITY OF DAPHNE, ALABAMA
RESOLUTION 2023 - 45

A RESOLUTION DECLARING CERTAIN PERSONAL PROPERTY SURPLUS AND AUTHORIZING THE MAYOR TO DISPOSE OF SUCH PROPERTY

WHEREAS, the management of the City of Daphne has determined that the items listed below are no longer required for public or municipal purposes; and

WHEREAS, the items listed below are recommended for disposal.

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

1. The property listed below are hereby declared to be surplus property; and

DEPT	EQ/VEH/#	DESCRIPTION	VIN/SN
PD-Patrol	315	2015 CHEVY TAHOE	1GNLC2EC2FR282334
PD-Patrol	417-L	2017 CHEVY TAHOE	1GNLCDEC7HR241745
Street	1107	2005 GMC C8500 DUMP TRUCK	1GDP8C13X5F525181
Street	49	1996 MAULDIN 1450 ASPHALT ROLLER	14-9609-162

2. The Mayor is authorized to advertise and accept bids through Govdeals.com/Liquidity Services Operations LLC as contracted for the sale of such personal property; and

3. The Mayor is authorized to sell said property to the highest bidder and deposit any and all proceeds to the appropriate City fund. The Mayor is further authorized to direct the disposition of any property which is not claimed by any bidder and sign all necessary documents.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _______ day of ________, 2023.

____
Robin LeJeune, Mayor

ATTEST:

____
Candace G. Antinarella, City Clerk, CMC

CITY OF DAPHNE, ALABAMA
RESOLUTION 2023-46

2023-X-PARK CHEMICALS

WHEREAS, The City of Daphne is required under section 41-16-20 of the Code of Alabama to secure competitive bids for items in excess of $30,000; and

WHEREAS, The City of Daphne acknowledges that the cost for the park chemicals will exceed this amount; and

WHEREAS, Staff has reviewed the bids for the park chemicals and determined that the bid as presented is reasonable; and

WHEREAS, Staff recommends the bid for the park chemicals be awarded to FIS Outdoor.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA that the City hereby accept the bid of FIS Outdoor for unit cost as follows

PRODUCT	UNIT	UNIT PRICE
Fertilizer		
Urea	50 pound	$ 17.00
All Purpose Fertilizer 10-10-10	50 pound	$ 20.66
Insecticide		
Acephate 90 Prill	5 pound	$ 55.12
Top Choice ***	50 pound	**No Bid**
Crosscheck Plus	96 oz	$ 50.29
Herbicide		
Revolver ***	87 OZ	$ 743.10
Prosecutor Pro	2.5 gallon	$ 56.16
Three Way Selective	2.5 gallon	$ 65.74
Miscellaneous		
Turface	50 pound	$ 11.08
Spreader Sticker, Non-ionic	2.5 gallon	$ 38.36
Tracker Dye	2.5 gallon	$ 119.32
Athletic Field Marking Chalk	50 lb	$ 9.38
Tribune	2.5 gallon	**No Bid**

PRODUCT	UNIT	UNIT PRICE
Insecticide		
Advion	15 pound	$ 93.75
Herbicide		
M & M / MSM	8 ounce	$ 19.89
Round Up Aqua	1 pint	$ 88.16
Certainty	1.25 ounce	$ 81.82
Tribute Total WDG	6 oz	$ 405.30
Fusilade II	32 oz	$ 85.65
Pre-M Aquacup	2.5 gallon	$ 51.14
Speedzone Southern	2.5 gallon	$ 203.00
Fungicide		
Subdue	1 gallon	$ 611.00
T. Storm	2.5 gallon	$ 157.76
Daconil	2.5 gallon	$ 87.00
Miscellaneous		
Chelated Iron Liquid	2.5 gallon	$ 31.72
Dolomitic Lime (pelletized)	50 pound	$ 12.48
Calmetic Lime (pelletized)	50 pound	$ 19.21
Recede Antifoam	1 gallon	$ 33.80

As specified in BID SPECIFICATION NO. 2023-X-PARK CHEMICALS.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _______ day of ________, 2023.

____

Robin LeJeune, Mayor

ATTEST:

____

Candace G. Antinarella, City Clerk,CMC

CITY OF DAPHNE, ALABAMA
RESOLUTION 2023-47

2023-V-RUFF WILSON ROOF REPAIR PROJECT

WHEREAS, the City of Daphne is required under section 39-1-1(E) of the Code of Alabama to secure competitive bids for public works contracts in excess of $100,000; and

WHEREAS, the City of Daphne acknowledges that the Ruff Wilson Roof Repair Project will exceed $100,000; and

WHEREAS, the City of Daphne did receive and review bids for the Ruff Wilson Roof Repair Project and has determined that the low bid as presented is reasonable; and

WHEREAS, staff recommends the bid for Ruff Wilson Roof Repair Project be awarded to Dobson Sheet Metal and Roofing, Inc. to include the Base Bid and unit cost as bid.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA that the City hereby accepts the bid from Dobson Sheet Metal and Roofing, Inc. for the Base Bid of $160,625 and unit cost as specified in BID SPECIFICATION NO. 2023-V-Ruff Wilson Roof Repair Project.

Install cold process polyester reinforced liquid applied coating system per plans and specifications.					**$ 160,625.00**
UNIT PRICING					
ITEM NO.	**DESCRIPTION**	**UNIT**	**QTY**	**UNIT PRICE**	**EXTENDED BID AMOUNT**
Owner can add/delete quantities from the Contract as required.					
a.	**Include cost to remove old coating at units.**	SQFT	750	**$ 8.00**	$ 6,000.00
b.	**Include cost to remove and replace deteriorated metal roof panels at units.**	LF	750	**$ 8.00**	$ 6,000.00

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA this ___ day of __________ , 2023.

____
Robin LeJeune, Mayor

ATTEST:

____
Candace G. Antinarella, City Clerk, CMC

CITY OF DAPHNE, ALABAMA
RESOLUTION 2023-48

APPROPRIATION: CIVIC CENTER CHILLER REPAIR

WHEREAS, Ordinance 2022-59 approved and adopted the Fiscal Year 2023 Budget on September 19, 2022; and

WHEREAS, subsequent to the adoption of the Fiscal Year 2023 budget, the City Council has determined that certain appropriations are required and should be approved and made a part of the Fiscal Year 2023 budget; and

WHEREAS, the chiller at the Civic Center is currently not working and is in need of immediate repairs to replace the coils and circuit breaker on the unit; and

WHEREAS, the City is renting a temporary chiller until repair parts can be installed and additionally, the surrounding wall around the chiller needs to be removed and replaced to receive the warranty on the chiller replacement parts; and

WHEREAS, quotes have been received to complete the project and the total project cost is estimated to be $353,250 (Replacement of coils and circuit board - $150,700; Rental of temporary chiller - $102,550; Removal and replacement of wall - $100,000); and

WHEREAS, an appropriation is needed in the amount of $353,250 to complete the Civic Center chiller repair project.

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

1. An appropriation in the amount of **$353,250** from the **General Fund and transferred to the Civic Center Fund** is appropriated and made a part of the Fiscal Year 2023 Budget for the Civic Center chiller repair project.

2. The Mayor is hereby authorized and directed to do or perform or cause to be done or performed in the name of and behalf of the City such other acts, and to execute, deliver, file and record such other instruments, documents, certificates, notifications and related documents, all as shall be required by law or necessary or desirable to carry out the provisions and purposes of this resolution.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _______ day of _________, 2023.

____
Robin LeJeune, Mayor

ATTEST:

____
Candace G. Antinarella, CMC, City Clerk

CITY OF DAPHNE, ALABAMA
ORDINANCE 2023-31

Ordinance to Pre-Zone Property Located Northeast of the intersection of Pollard Road and County Road 64
O'Gwynn Properties, L.L.C.

WHEREAS, O'Gwynn Properties, L.L.C., as the owner of certain real property located within the unincorporated area of Baldwin County, Alabama, has requested that said property that is currently zoned by the County as B-2, Neighborhood Business, Baldwin County District 15, in the extraterritorial planning jurisdiction of the City of Daphne, be pre-zoned as B-2(a), General Business Alternate, prior to annexation into the City of Daphne; and

WHEREAS, said real property is located Northeast of the intersection of Pollard Road and County Road 64, being more particularly described as follows:

Legal Description for Property to be Pre-Zoned:

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89°39'17" EAST, ALONG THE SOUTH LINE OF SAID SECTION 16, A DISTANCE 26.92 FEET; THENCE RUN NORTH 00°36'36" EAST, A DISTANCE OF 40.00 FEET TO A CAPPED REBAR (CA-1109-LS) AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE) AND THE EAST RIGHT-OF-WAY OF POLLARD ROAD FOR THE POINT OF BEGINNING: THENCE CONTINUE NORTH 00°36'36" EAST, ALONG THE EAST RIGHT-OF-WAY OF POLLARD ROAD, A DISTANCE OF 603.91 FEET TO A CAPPED REBAR (CA-1109-LS); THENCE RUN NORTH 89°15'24" EAST, A DISTANCE OF 307.25 FEET TO A FENCE WOOD POST; THENCE RUN SOUTH 00°59'17" WEST, A DISTANCE OF 609.78 FEET TO A 1 INCH CRIMP TOP IRON AT THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE); THENCE RUN NORTH 89°39'17" WEST, A DISTANCE OF 303.15 FEET TO THE POINT OF BEGINNING. TRACT CONTAINS 4.25 ACRES, MORE OR LESS, AND LIES IN SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 WEST, BALDWIN COUNTY, ALABAMA.

WHEREAS, at the regular Planning Commission meeting on June 22, 2023, the Commission considered said request and voted to set forth an unanimously favorable recommendation to the City Council to pre-zone the property B-2(a), General Business Alternate; and,

WHEREAS, due notice of said proposed pre-zoning has been provided to the public as required by law through publication and open display at City Hall, and a public hearing was held before the City Council on August 21, 2023; and,

WHEREAS, the City Council of the City of Daphne, after due consideration and upon consideration of the recommendation and notes of the Planning Commission, deemed that said application for pre-zoning of the above described real property and as set forth on a map of the property attached hereto and made a part of this Ordinance as Exhibit "A" is proper and in the best interest of the health, safety, and welfare of the citizens of the City of Daphne, Alabama; and

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

SECTION I: ZONING

That above described real property is hereby pre-zoned B-2(a), General Business Alternate, City of Daphne. Upon annexation of the property prior to the expiration of the pre-zoning as set forth in Section IV, the property shall be assigned the zoning district in accordance with the pre-zoning and the zoning ordinance and zoning map shall be amended to reflect said zoning. Should annexation not occur prior to the expiration of this pre-zoning as set forth in Section IV, this pre-zoning shall have no effect and the designation of a zoning district for the property shall be set forth in the annexation ordinance.

Until such time as the property is annexed into the City of Daphne, the property shall remain in the unincorporated area of Baldwin County and zoned in accordance with the Baldwin County Commission's zoning plan. The County's zoning for the property at the time the request for pre-zoning was submitted was B-2, Neighborhood Business, Baldwin County District 15, Exterritorial Planning Jurisdiction.

SECTION II: REPEALER.

All other City Ordinances or parts thereof in conflict with the provisions of this Ordinance, in so far as they conflict, are hereby repealed.

SECTION III: SEVERABILITY.

The provisions of this Ordinance are severable. If any provision, section, paragraph, sentence, or part thereof shall be held unconstitutional or invalid, such decision shall not affect or impair the remainder of said Ordinance, it being the legislative intent to ordain and enact each provision, section, paragraph, sentence, and part thereof separately and independently of each other.

SECTION IV: EFFECTIVE AND EXPIRATION DATE.

This Ordinance shall take effect after the date of its approval by the City Council of the City of Daphne and publication as required by law. Pursuant to Code of Alabama (1975) Section 11-52-85, the zoning of the subject property shall become effective upon the date the territory is annexed into the corporate limits. If any portion of the subject property is not annexed into the corporate limits within 180 days of the initiation of annexation proceedings as provided by law, this pre-zoning shall be null and void. Should the pre-zoning become null and void, the applicant may reapply for pre-zoning at any time as long as an annexation petition is pending.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS _______ day of _________, 2023.

____

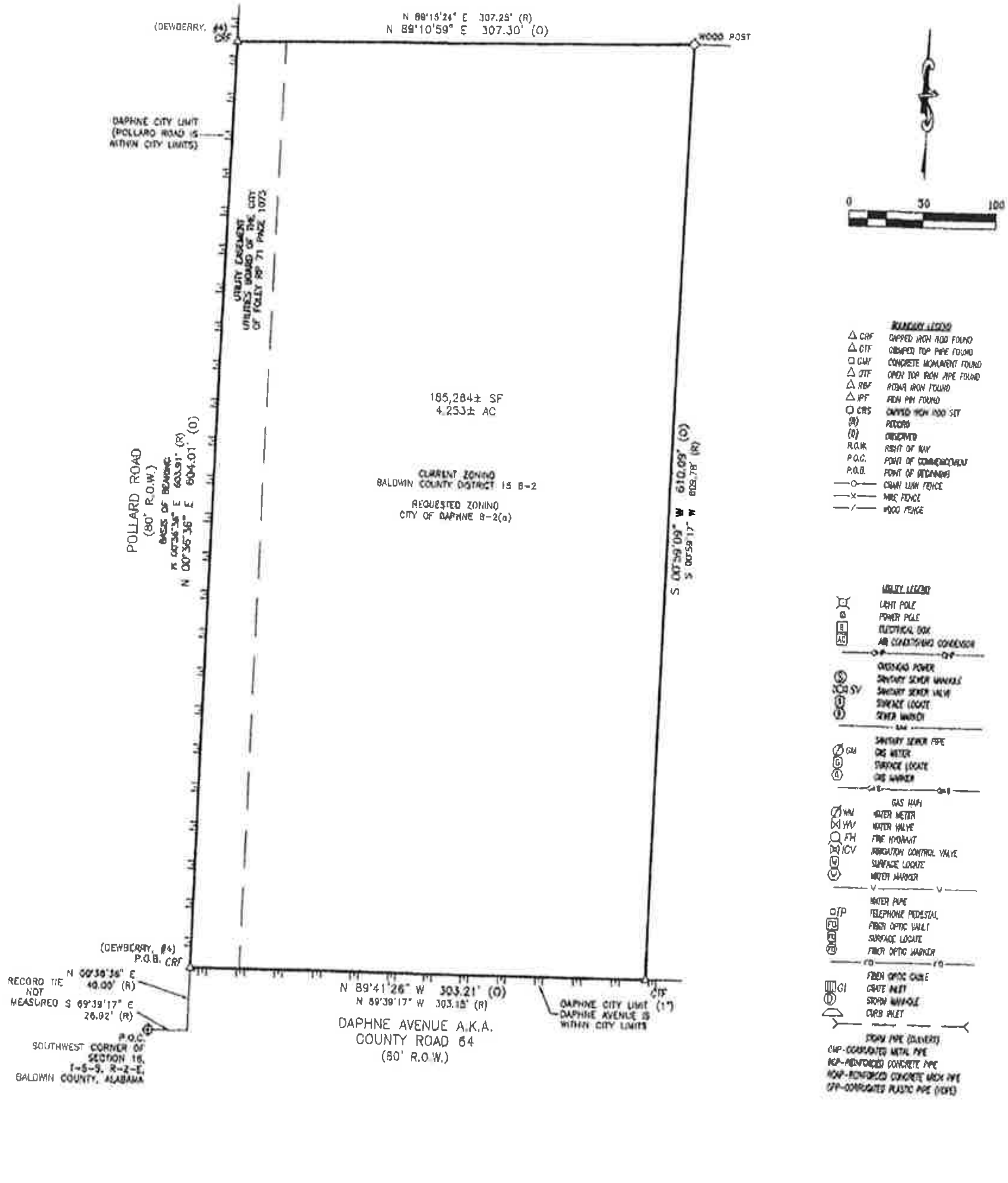
Robin LeJeune, Mayor

ATTEST:

____

Candace G. Antinarella, CMC, City Clerk

Exhibit A



BALDWIN COUNTY
ALABAMA

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89°39'17" EAST, ALONG THE SOUTH LINE OF SAID SECTION 16, A DISTANCE 28.92 FEET; THENCE RUN NORTH 00°36'36" EAST, A DISTANCE OF 40.00 FEET TO A CAPPED REBAR (CA-1109-LS) AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE) AND THE EAST RIGHT-OF-WAY OF POLLARD ROAD FOR THE POINT OF BEGINNING; THENCE CONTINUE NORTH 00°36'36" EAST, ALONG THE EAST RIGHT-OF-WAY OF POLLARD ROAD, A DISTANCE OF 603.91 FEET TO A CAPPED REBAR (CA-1109-LS); THENCE RUN NORTH 89°15'24" EAST, A DISTANCE OF 307.25 FEET TO A FENCE WOOD POST; THENCE RUN SOUTH 00°59'17" WEST, A DISTANCE OF 609.78 FEET TO A 1 INCH CRIMP TOP IRON AT THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE); THENCE RUN NORTH 89°39'17" WEST, A DISTANCE OF 303.15 FEET TO THE POINT OF BEGINNING.

TRACT CONTAINS 4.25 ACRES, MORE OR LESS, AND LIES IN SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 WEST, BALDWIN COUNTY, ALABAMA.

I HEREBY CERTIFY THAT ALL PARTS OF THIS SURVEY AND DRAWING HAVE BEEN COMPLETED IN ACCORDANCE WITH THE CURRENT REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR SURVEYING IN THE STATE OF ALABAMA TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

NOTES:
1. TYPE OF SURVEY: BOUNDARY
2. RECORD DIMENSIONS BASED ON THAT WARRANTY DEED RECORDED AS INSTRUMENT NO. 1977426 IN THE OFFICE OF THE JUDGE OF PROBATE, BALDWIN COUNTY, ALABAMA.
3. THIS DRAWING AND DESCRIPTION DOES NOT REFLECT ANY TITLE OR EASEMENT RESEARCH OTHER THAN WHAT IS VISIBLE OR PROVIDED BY THE CLIENT'S CONVEYANCE. SETBACK LINES ESTABLISHED BY STATUTE, ORDINANCE OR RESTRICTIVE COVENANTS ARE NOT SHOWN.
4. THIS DRAWING IS THE PROPERTY OF SMITH, CLARK & ASSOCIATES. IT IS SOLELY FOR THE USE OF THE CLIENT NAMED HEREIN AND IS NONTRANSFERABLE TO ANY OTHER PARTY. IT MAY NOT BE USED WITHOUT PRIOR CONSENT FROM SMITH, CLARK & ASSOCIATES.
5. THIS DRAWING IS TO SCALE WHEN PRINTED ON 18X24 PAPER IN PORTRAIT VIEW WITH NO SCALING.

TB	TS	DK	O'GWYNN PROPERTIES, LLC
3/27/23	1"=50'		BOUNDARY SURVEY 26070 POLLARD ROAD DAPHNE, ALABAMA
23-108	181/19		

SMITH CLARK

CITY OF DAPHNE, ALABAMA
ORDINANCE 2023-32

ORDINANCE TO ANNEX PROPERTY CONTIGUOUS TO THE CORPORATE LIMITS OF THE CITY OF DAPHNE

Property Located Northeast of the intersection of Pollard Road and County Road 64
O'Gwynn Properties, L.L.C.

WHEREAS, on the 22nd day of May, 2023, O'Gwynn Properties L.L.C., being the owner of certain real property hereinafter described, did file with the City Clerk a petition requesting that said tracts or parcels of land be annexed into and become part of the City of Daphne, Alabama (the "City"); and

WHEREAS, said petition did contain an accurate description of the property to be annexed together with a map of the said territory showing its relationship to the corporate limits of the City of Daphne, Alabama, and the signatures of all owners of the property described; and

WHEREAS, said petition was presented to the Planning Commission of the City of Daphne at a regular scheduled meeting on June 22, 2023, and the Commission set forth a favorable recommendation for the City Council of the City of Daphne to consider said request for annexation of said property; and

WHEREAS, after proper publication, a public hearing was held by the City Council on August 21, 2023, concerning the petition for annexation.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, AS FOLLOWS:

SECTION ONE: ANNEXATION

The City Council of the City of Daphne finds and declares as the legislative body of the City that it is in the best interest of the citizens of the City and the citizens of the affected area to bring the property described in Section Three of this Ordinance into the corporate limits of the City, and has further determined that all legal requirements for annexing said real property have been met pursuant to Sections 11-42-20 through 11-42-24, *et seq*., Code of Alabama (1975); effective on publication as required by Section 11-42-21, Code of Alabama (1975), as amended.

SECTION TWO: ZONING

At the ____________, 2023, regularly scheduled City Council meeting, Ordinance 2023-____ was adopted pre-zoning the said property as B-2(a), General Business Alternate, with the apportionment of said zoning districts to the subject property described therein.

SECTION THREE: DESCRIPTION OF TERRITORY

The boundary lines of the City of Daphne are hereby altered or rearranged so as to include all the territory heretofore encompassed by the corporate limits of the City of Daphne and, in addition thereto, the following described property, to-wit:

Legal Description for Annexation:

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89°39'17" EAST, ALONG THE SOUTH LINE OF SAID SECTION 16, A DISTANCE 26.92 FEET; THENCE RUN NORTH 00°36'36" EAST, A DISTANCE OF 40.00 FEET TO A CAPPED REBAR (CA-1109-LS) AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE) AND THE EAST RIGHT-OF-WAY OF POLLARD ROAD FOR THE POINT OF BEGINNING: THENCE CONTINUE NORTH 00°36'36" EAST, ALONG THE EAST RIGHT-OF-WAY OF POLLARD ROAD, A DISTANCE OF 603.91 FEET TO A CAPPED REBAR (CA-1109-LS); THENCE RUN NORTH 89°15'24" EAST, A DISTANCE OF 307.25 FEET TO A FENCE WOOD POST; THENCE RUN SOUTH 00°59'17" WEST, A DISTANCE OF 609.78 FEET TO A 1 INCH CRIMP TOP IRON AT THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE); THENCE RUN NORTH 89°39'17" WEST, A DISTANCE OF 303.15 FEET TO THE POINT OF BEGINNING. TRACT CONTAINS 4.25 ACRES, MORE OR LESS, AND LIES IN SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 WEST, BALDWIN COUNTY, ALABAMA.

SECTION FOUR: MAP OF PROPERTY

The property hereby annexed into the City of Daphne, Alabama, as described in Section Three of this Ordinance, is set forth on a map of the property attached hereto and made a part of this Ordinance as Exhibit "B" showing its relationship to the corporate limits of the City of Daphne.

SECTION FIVE: EFFECTIVE DATE AND PUBLICATION

This Ordinance shall become effective upon its date of publication as required by Section 11-42-21 Code of Alabama (1975), as amended, and the property described herein shall be then annexed into the corporate limits of the City of Daphne, and a certified copy of the same shall be filed with the Office of the Judge of Probate of Baldwin County, Alabama, in accordance with Section 11-42-21, Code of Alabama (1975), as amended.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS THE ________ DAY OF __________, 2023.

____

Robin LeJeune, Mayor

ATTEST:

____

Candace G. Antinarella, CMC, City Clerk

O’Gwynn Properties, LLC

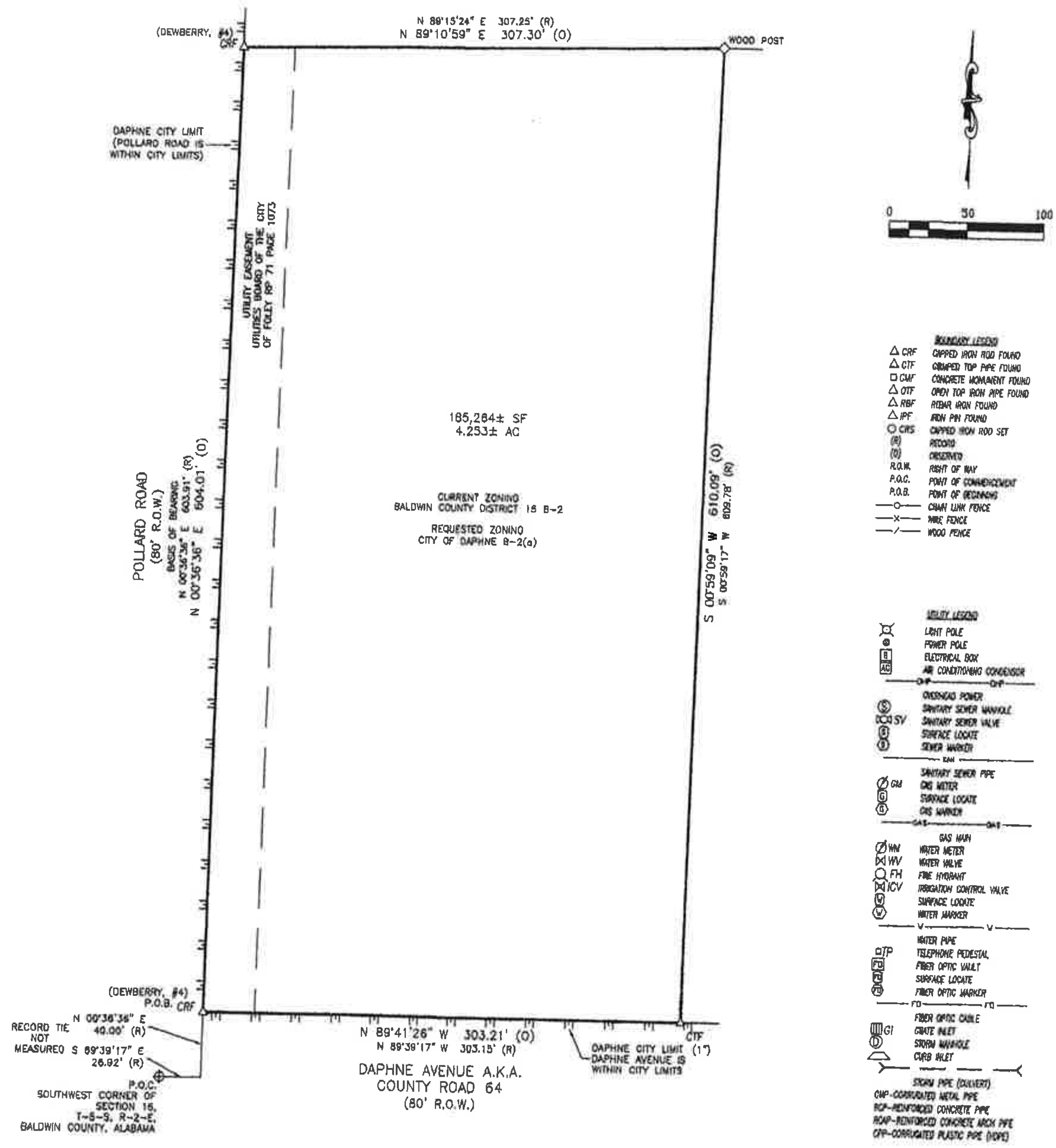
Exhibit A

State of Alabama
County of Baldwin

Description of property to be pre-zoned to B-2(a), General Business Alternate District

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89°39'17" EAST, ALONG THE SOUTH LINE OF SAID SECTION 16, A DISTANCE 26.92 FEET; THENCE RUN NORTH 00°36'36" EAST, A DISTANCE OF 40.00 FEET TO A CAPPED REBAR (CA-1109-LS) AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE) AND THE EAST RIGHT-OF-WAY OF POLLARD ROAD FOR THE POINT OF BEGINNING: THENCE CONTINUE NORTH 00°36'36" EAST, ALONG THE EAST RIGHT-OF-WAY OF POLLARD ROAD, A DISTANCE OF 603.91 FEET TO A CAPPED REBAR (CA-1109-LS); THENCE RUN NORTH 89°15'24" EAST, A DISTANCE OF 307.25 FEET TO A FENCE WOOD POST; THENCE RUN SOUTH 00°59'17" WEST, A DISTANCE OF 609.78 FEET TO A 1 INCH CRIMP TOP IRON AT THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE); THENCE RUN NORTH 89°39'17" WEST, A DISTANCE OF 303.15 FEET TO THE POINT OF BEGINNING. TRACT CONTAINS 4.25 ACRES, MORE OR LESS, AND LIES IN SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 WEST, BALDWIN COUNTY, ALABAMA.

Exhibit B



BALDWIN COUNTY
ALABAMA

COMMENCE AT THE SOUTHWEST CORNER OF SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 EAST, BALDWIN COUNTY, ALABAMA; THENCE RUN SOUTH 89°39'17" EAST, ALONG THE SOUTH LINE OF SAID SECTION 16, A DISTANCE 26.92 FEET; THENCE RUN NORTH 00°36'36" EAST, A DISTANCE OF 40.00 FEET TO A CAPPED REBAR (CA-1109-LS) AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE) AND THE EAST RIGHT-OF-WAY OF POLLARD ROAD FOR THE POINT OF BEGINNING: THENCE CONTINUE NORTH 00°36'36" EAST, ALONG THE EAST RIGHT-OF-WAY OF POLLARD ROAD, A DISTANCE OF 603.91 FEET TO A CAPPED REBAR (CA-1109-LS); THENCE RUN NORTH 89°15'24" EAST, A DISTANCE OF 307.25 FEET TO A FENCE WOOD POST; THENCE RUN SOUTH 00°59'17" WEST, A DISTANCE OF 609.78 FEET TO A 1 INCH CRIMP TOP IRON AT THE NORTH RIGHT-OF-WAY OF COUNTY ROAD 64 (A.K.A. DAPHNE AVENUE); THENCE RUN NORTH 89°39'17" WEST, A DISTANCE OF 303.15 FEET TO THE POINT OF BEGINNING.

TRACT CONTAINS 4.25 ACRES, MORE OR LESS, AND LIES IN SECTION 16, TOWNSHIP 5 SOUTH, RANGE 2 WEST, BALDWIN COUNTY, ALABAMA.

I HEREBY CERTIFY THAT ALL PARTS OF THIS SURVEY AND DRAWING HAVE BEEN COMPLETED IN ACCORDANCE WITH THE CURRENT REQUIREMENTS OF THE STANDARDS OF PRACTICE FOR SURVEYING IN THE STATE OF ALABAMA TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

NOTES:
1. TYPE OF SURVEY: BOUNDARY
2. RECORD DIMENSIONS BASED ON THAT WARRANTY DEED RECORDED AS INSTRUMENT NO. 1977426 IN THE OFFICE OF THE JUDGE OF PROBATE, BALDWIN COUNTY, ALABAMA.
3. THIS DRAWING AND DESCRIPTION DOES NOT REFLECT ANY TITLE OR EASEMENT RESEARCH OTHER THAN WHAT IS VISIBLE OR PROVIDED BY THE CLIENT'S CONVEYANCE. SETBACK LINES ESTABLISHED BY STATUTE, ORDINANCE OR RESTRICTIVE COVENANTS ARE NOT SHOWN.
4. THIS DRAWING IS THE PROPERTY OF SMITH, CLARK & ASSOCIATES. IT IS SOLELY FOR THE USE OF THE CLIENT NAMED HEREON AND IS NONTRANSFERABLE TO ANY OTHER PARTY. IT MAY NOT BE USED WITHOUT PRIOR CONSENT FROM SMITH, CLARK & ASSOCIATES.
5. THIS DRAWING IS TO SCALE WHEN PRINTED ON 18X24 PAPER IN PORTRAIT VIEW WITH NO SCALING.

TB	TS	DK	O'GWYNN PROPERTIES, LLC
3/27/23	1"=50'		BOUNDARY SURVEY 26070 POLLARD ROAD DAPHNE, ALABAMA
23-109	181/19		

SMITH CLARK

CITY OF DAPHNE, ALABAMA
ORDINANCE 2023-33

AMENDING CITY'S EMPLOYEE HANDBOOK
(SECTIONS 5.1, 7.2, and 10.3)

WHEREAS, the City Council of the City of Daphne, after due consideration, believes it appropriate to amend several sections of the City of Daphne Employee Handbook;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA AS FOLLOWS:

SECTION I:

That the following Sections of the Employee Handbook be amended:

Section 5.1	General Provisions – Timing of Formal Evaluations
Section 7.2	Types of Discipline (Disciplinary Probation)
Section 10.3	Employee Anniversary Date

The specific revisions to these sections are set forth in *Exhibit A* to this Ordinance.

SECTION II: REPEALER

That any Ordinance, or parts thereof, heretofore adopted by the City Council of Daphne, Alabama, which is in conflict with this Ordinance be and is hereby repealed to the extent of such conflict.

SECTION III: SEVERABILITY

If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

SECTION IV: EFFECTIVE DATE

This Ordinance shall take effect and be in force from and after the date of its approval by the City Council of the City of Daphne and publication as required by law.

ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS ____ DAY OF ________, 2023.

____
Robin LeJeune, Mayor

ATTEST:

____
Candace G. Antinarella, CMC, City Clerk

EXHIBIT A

AMENDMENT TO EXISTING POLICIES

5.1 General Provisions, 7.2 Types of Discipline, and 10.3 Employee Anniversary Date

5.1. GENERAL PROVISIONS

Timing of Formal Evaluations. Unclassified and regular status classified full-time and part-time employees will be evaluated at least once annually. Evaluations of probationary status employees normally will be conducted during the third and sixth months of the probationary period. If an employee receives a promotion or demotion during their employment with the City, the employee's annual evaluation date will fall on the anniversary of the promotion or demotion effective date henceforth.

7.2. TYPES OF DISCIPLINE

Disciplinary Probation. A Department Head may, alone or in conjunction with other disciplinary action, place an employee on disciplinary probation. During probation, the performance of the employee will be evaluated regularly. At the end of the probation, if an employee is unable to improve job performance or work behavior to an acceptable level, the employee will be subject to further disciplinary action, up to and including dismissal. If an employee's annual evaluation falls during the disciplinary probation period, the regularly scheduled annual evaluation will be postponed until the probationary period is completed.

10.3. EMPLOYEE SERVICE DATE

Establishment. Each unclassified, classified, and part-time employee will have a service date established based on the date of employment. An employee's service date is used to determine eligibility for longevity pay increases, benefits, and other areas related to an employee's years of service.

Should the employee be promoted or demoted during their tenure with the City, the employee's service date will remain the same however the annual evaluation date will change to the effective date of promotion or demotion. Lateral transfers within the same department and same pay grade will not constitute a change in the employee's evaluation date.

I, the undersigned City Clerk of the City of Daphne, Alabama, hereby certify that the pages attached hereto constitute a true, correct and complete copy of an ordinance duly adopted by the City Council of the City of Daphne, Alabama, at its meeting duly held and conducted on September 5, 2023, pertaining to the matters therein set out, as the same appear in the official records of the said City in my possession. Said ordinance has not been modified or rescinded since its adoption and is still in full force and effect.

WITNESS my official signature as City Clerk of the City of Daphne, Alabama, and the seal of the City, this ____ day of _________, 2023.

____
City Clerk

[SEAL]

AN ORDINANCE AUTHORIZING THE ISSUANCE OF
GENERAL OBLIGATION WARRANTS,
SERIES 2023-A

Adopted by

the City Council of the

City of Daphne, Alabama

on

September ______, 2023

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CITY OF DAPHNE, ALABAMA
ORDINANCE 2023-34

AN ORDINANCE AUTHORIZING THE ISSUANCE
OF GENERAL OBLIGATION WARRANTS,
SERIES 2023-A

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

ARTICLE 1
Definitions

Section 1.01 Definitions and Use of Phrases

For all purposes of this ordinance, except as otherwise expressly provided or unless the context otherwise requires:

(a) The terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular, and vice versa.

(b) The terms "herein", "hereof" and "hereunder" and other words of similar import refer to this ordinance as a whole and not to any particular Article, Section or other subdivision.

Business Day shall mean any day other than a Saturday, a Sunday or a day on which banking institutions are required or authorized to close in the city where the Principal Office of the Paying Agent is located.

City shall mean the City of Daphne, a municipal corporation organized under the laws of the State of Alabama.

Debt Service shall mean the principal of, premium (if any) and interest payable on the Series 2023-A Warrants.

Debt Service Fund shall mean the fund established pursuant to Section 6.01.

Defaulted Interest shall have the meaning stated in Section 3.08.

Disclosure Dissemination Agent Agreement shall mean the Disclosure Dissemination Agent Agreement to be executed by the City in connection with the delivery of the Series 2023-A Warrants.

Enabling Law shall mean Section 11-47-2 of the Code of Alabama 1975, as amended.

Federal Securities shall mean direct obligations of the United States of America.

Financing Participants shall mean the City, the Paying Agent and the Holders of Series 2023-A Warrants.

Holder, when used with respect to any Series 2023-A Warrant, shall mean the person in whose name such Series 2023-A Warrant is registered in the Warrant Register.

Interest Payment Date, when used with respect to any installment of interest on a Series 2023-A Warrant, shall mean the date specified in such Series 2023-A Warrant as the fixed date on which such installment of interest is due and payable.

Internal Revenue Code shall mean the Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder.

Original Purchasers shall mean the Original Purchasers of the Series 2023-A Warrants from the City as described in Section 7.01.

Outstanding, when used with respect to Series 2023-A Warrants, shall mean, as of the date of determination, all Series 2023-A Warrants authenticated and delivered under this ordinance, except:

(a) Series 2023-A Warrants canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Series 2023-A Warrants for whose payment or redemption money in the necessary amount has been deposited with the Paying Agent for the Holders of such Series 2023-A Warrants pursuant to Section 5.02 hereof, provided that if such Series 2023-A Warrants are to be redeemed, notice of such redemption has been duly given pursuant to this ordinance or the City shall have conferred on the Paying Agent irrevocable authority for the giving of such notice on behalf of the City; and

(c) Series 2023-A Warrants in exchange for or in lieu of which other Series 2023-A Warrants have been registered and delivered under this ordinance.

Paying Agent shall mean the agent of the City appointed as such pursuant to Section 3.10 for the purpose of paying Debt Service on the Series 2023-A Warrants.

Post-Default Rate, when used with respect to any payment of Debt Service on a Series 2023-A Warrant, shall mean the interest rate borne by such Series 2023-A Warrant. Interest at the Post-Default Rate shall be computed on the basis of an assumed year of 360 days with 12 months with 30 days each.

Principal Office of the Paying Agent shall mean the office where the Paying Agent maintains its principal corporate trust office, or such other office as shall be designated by the Paying Agent by written notice to the City and the Holders of the Series 2023-A Warrants.

Principal Payment Date, when used with respect to any Series 2023-A Warrant, shall mean the date specified in such Series 2023-A Warrant as the fixed date on which the principal of such Series 2023-A Warrant is due and payable.

Private Business Use shall mean use directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public.

Qualified Investments shall mean:

(a) Federal Securities,

(b) an interest in any trust or fund that invests solely in Federal Securities,

(c) a certificate of deposit issued by, or other interest-bearing deposit with, any bank organized under the laws of the United States of America or any state thereof (including without limitation the Paying Agent), provided that (i) such bank has capital, surplus and undivided profits of not less than $25,000,000, (ii) such deposit is insured by the Federal Deposit Insurance Corporation or (iii) such deposit is secured by such bank by pledging Federal Securities having a market value (exclusive of accrued interest) not less than the face amount of such deposit (less the amount of such deposit insured by the Federal Deposit Insurance Corporation), and

(d) any other investment permitted by applicable law.

Regular Record Date for the interest payable on any Interest Payment Date on the Series 2023-A Warrants shall mean the date specified in Section 3.08.

Series 2023-A Warrant shall mean any Series 2023-A Warrant authenticated and delivered pursuant to this ordinance.

Special Record Date for the payment of any Defaulted Interest on Series 2023-A Warrants shall mean the date fixed by the Paying Agent pursuant to Section 3.08.

Tax Certificate and Agreement shall mean the Tax Certificate and Agreement to be executed and delivered by the City in connection with the issuance of the Series 2023-A Warrants, which is described in Section 8.01.

Warrant Ordinance shall mean this ordinance authorizing the issuance of the Series 2023-A Warrants.

Warrant Payment Date shall mean each date (including any date fixed for redemption of Series 2023-A Warrants) on which Debt Service is payable on Series 2023-A Warrants and shall include each Interest Payment Date and Principal Payment Date.

Warrant Register shall mean the register or registers for the registration and transfer of Series 2023-A Warrants maintained by the City pursuant to Section 3.06.

Wire Transfer shall mean a transfer of funds by electronic means between banks that are members of the Federal Reserve System, or such other method of transferring funds for same-day settlement or credit as shall be acceptable to the Paying Agent.

ARTICLE 2
Representations and Warranties

Section 2.01 Findings, Representations and Warranties

The City makes the following findings, representations and warranties as the basis for the undertakings on its part herein contained:

(a) The City will apply the proceeds of the Series 2023-A Warrants to provide funds for the purposes described in Section 7.03 hereof.

(b) It is advantageous and in the public interest for the City to issue the Series 2023-A Warrants for the purposes herein authorized.

(c) Immediately after the issuance of the Series 2023-A Warrants the total indebtedness of the City chargeable against the debt limitation of the City prescribed by the Constitution of the State of Alabama will not be more than 20% of the assessed valuation of taxable property within the corporate limits of the City for the last tax year (ended September 30, 2022).

ARTICLE 3
The Series 2023-A Warrants

Section 3.01 Authorization of Series 2023-A Warrants

Pursuant to the authority to do so contained in the applicable provisions of the Constitution and laws of the State of Alabama, including particularly the Enabling Law, and for the purposes hereinafter set out, there are hereby authorized to be issued up to $10,000,000 aggregate principal amount of "General Obligation Warrants, Series 2023-A".

Section 3.02 Amount and Terms

(a) The maximum aggregate principal amount of the Series 2023-A Warrants which may be authenticated and delivered and Outstanding is limited to $10,000,000.

(b) The Series 2023-A Warrants shall be issuable as fully registered warrants without coupons in the denomination of $5,000 or any multiple thereof. The Series 2023-A Warrants shall be numbered separately from R-1 upward. Each Series 2023-A Warrant shall have a single principal maturity.

(c) The Series 2023-A Warrants shall mature on July 1 in the years and amounts determined as provided in Section 7.04 hereof (each such maturity date being herein called a "Principal Payment Date"). The Series 2023-A Warrants will bear interest at the rates determined as provided in Section 7.04 hereof.

The Series 2023-A Warrants will be subject to optional redemption on the dates and at the redemption price(s) determined pursuant to Section 7.04 hereof. The Series 2023-A Warrants may be subject to mandatory redemption on the dates, in the amounts and as may be determined pursuant to Section 7.04 hereof.

(d) The Series 2023-A Warrants shall be dated the date of issuance thereof, and shall bear interest from such date, or the most recent date to which interest has been paid or duly provided for, until the principal thereof shall become due and payable, at the applicable per annum interest rates determined as provided in Section 7.04 hereof. Interest on the Series 2023-A Warrants shall be payable on January 1 and July 1 in each year, beginning January 1, 2024 (each such date being herein called an "Interest Payment Date"), and shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest on overdue principal and premium and (to the extent legally enforceable) on any overdue installment of interest on the Series 2023-A Warrants shall be payable at the Post-Default Rate.

(e) Payment of interest on the Series 2023-A Warrants which is due, and punctually paid or duly provided for, on any Interest Payment Date shall be made by check or draft mailed by the Paying Agent to the persons entitled thereto at their addresses appearing in the Warrant Register. Such payment of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) the Series 2023-A Warrants and payment of accrued interest on the Series 2023-A Warrants due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2023-A Warrants at the Principal Office of the Paying Agent.

(f) Subsection (e) of this Section to the contrary notwithstanding, upon the written request of the Holder of any Series 2023-A Warrant in a principal amount of not less than $100,000, the Paying Agent will make payment of the Debt Service due on such Series 2023-A Warrant on any Warrant Payment Date by Wire Transfer to an account of such Holder maintained at a bank in the continental United States, provided that:

(1) such written request contains adequate instructions for the method of payment, and

(2) payment of the principal of (and redemption premium, if any, on) such Series 2023-A Warrant and payment of accrued interest on such Series 2023-A Warrant due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of such Series 2023-A Warrant to the Paying Agent.

Section 3.03 Form of Series 2023-A Warrants

The Series 2023-A Warrants and the authentication certificate shall be substantially in the following form, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this ordinance, including without limitation insertion of such amounts, interest rates, maturities and redemption provisions which the Mayor of the City is authorized to determine or approve pursuant to Section 7.04 hereof:

Unless this Warrant is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

CITY OF DAPHNE, ALABAMA
GENERAL OBLIGATION WARRANTS,
SERIES 2023-A

No._____ $______________

Maturity Date: _______________ Interest Rate: ________ CUSIP Number: _____________

The **CITY OF DAPHNE**, a municipal corporation organized under the laws of the State of Alabama (the "City"), for value received, hereby acknowledges that it is indebted in the principal sum of

____ Dollars,

and hereby orders and directs its Finance Director to pay such principal sum to

____________________________________,

or registered assigns, on the maturity date specified above and to pay interest on such principal sum from the date hereof, or the most recent date to which interest has been paid or duly provided for, until such principal sum shall become due and payable, at the per annum rate of interest specified above. Interest shall be payable on January 1 and July 1 in each year, beginning January 1, 2024 (each such date being herein called an "Interest Payment Date"), and shall be computed on the basis of a 360-day year with 12 months of 30 days each. Interest shall be payable on overdue principal (and premium, if any) on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the Post-Default Rate specified in the Warrant Ordinance referred to below.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Warrant Ordinance, be paid to the person in whose name this warrant is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date and shall be paid to the person in whose name this warrant is registered at the close of business on a Special Record Date for the payment of such

Defaulted Interest to be fixed by the Paying Agent, notice of such Special Record Date being given to Holders of the Series 2023-A Warrants not less than 10 days prior to such Special Record Date.

Payment of interest on this warrant due on each Interest Payment Date shall be made by check or draft mailed by the Paying Agent to the person entitled thereto at his address appearing in the Warrant Register maintained by the Paying Agent. Such payment of interest shall be deemed timely made if so mailed on the Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on the Business Day next following such Interest Payment Date). Payment of the principal of (and premium, if any, on) this warrant and payment of accrued interest on this warrant due upon redemption on any date other than an Interest Payment Date shall be made only upon surrender of this warrant at the Principal Office of the Paying Agent. Upon the terms and conditions provided in the Warrant Ordinance, the Holder of any Series 2023-A Warrant in a principal amount of not less than $100,000 may request that payment of Debt Service on such Series 2023-A Warrant be made by Wire Transfer to an account of such Holder maintained at a bank in the continental United States. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This warrant is one of a duly authorized series of warrants of the City, aggregating $_______________ in principal amount, entitled "General Obligation Warrants, Series 2023-A" (the "Series 2023-A Warrants") and issued under and pursuant to the Constitution and laws of the State of Alabama, including particularly Section 11-47-2 of the Code of Alabama 1975, as amended, and an ordinance duly adopted by the governing body of the City (the "Warrant Ordinance"). Capitalized terms not otherwise defined herein shall have the meanings assigned in the Warrant Ordinance.

The Warrant Ordinance provides that Regions Bank, an Alabama banking corporation with its principal place of business in Birmingham, Alabama, will serve as "Paying Agent" with respect to the Series 2023-A Warrants unless and until a successor is appointed pursuant to the terms and conditions of the Warrant Ordinance. For purposes of this warrant and the Warrant Ordinance, the Principal Office of the Paying Agent shall mean the office where the Paying Agent maintains its principal corporate trust office or such other office as shall be designated by the Paying Agent by written notice to the City and the Holders of the Series 2023-A Warrants.

The indebtedness evidenced and ordered paid by this warrant is a general obligation of the City for payment of the principal of and interest on which the full faith and credit of the City have been irrevocably pledged.

Pursuant to the Warrant Ordinance the City has established a special fund for the payment of Debt Service on the Series 2023-A Warrants (the "Debt Service Fund") that will be held by the Paying Agent. The City has obligated itself to pay or cause to be paid into the Debt Service Fund from the taxes, revenues or other general funds of the City sums sufficient to provide for the payment of Debt Service on the Series 2023-A Warrants as the same becomes due and payable.

In the manner and with the effect provided in the Warrant Ordinance, the Series 2023-A Warrants are subject to redemption prior to maturity as follows:

Optional Redemption. Series 2023-A Warrants maturing on July 1, 20__, or on any date thereafter will be subject to prior redemption at the option of the City, as a whole or in part in integral multiples of $5,000, on ________ 1, 20__, or on any date thereafter, in such order, amounts of maturity or maturities and interest rate or rates (if applicable) as the City may determine and by lot within a maturity (or within a maturity and interest rate if Series 2023-A Warrants of a particular maturity bear interest at more than one interest rate), at and for a redemption price for each warrant (or portion thereof) redeemed equal to 100% of the principal amount redeemed, plus accrued and unpaid interest to the redemption date.

Mandatory Redemption. The Series 2023-A Warrants maturing on July 1, 20__ (the "20__ Term Warrants") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest to the redemption date, on July 1 in the years and amounts (after credits as provided below) as follows:

Year	Amount
20__	
20__	
20__ (final maturity)	

Not less than 30 days prior to each mandatory redemption date with respect to the 20__ Term Warrants, the Paying Agent shall proceed to select for redemption, by lot, 20__ Term Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such 20__ Term Warrants or portions thereof for redemption on such mandatory redemption date. The City may, not less than 45 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of the 20__ Term Warrants scheduled for redemption on such date: (i) the principal amount of the 20__ Term Warrants delivered by the City to the Paying Agent for cancellation and not previously claimed as a credit; and (ii) the principal amount of the 20__ Term Warrants previously redeemed (other than 20__ Term Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit and (iii) the principal amount of 20__ Term Bonds otherwise defeased pursuant to Section 5.02(b) of the Warrant Ordinance and not previously claimed as a credit.

Any redemption shall be made upon not more than 60 nor less than 30 days' notice in the manner and upon the terms and conditions provided in the Warrant Ordinance. The City and the Paying Agent will, to the extent practical under the circumstances, comply with the standards set forth in the Securities and Exchange Commission's Exchange Act Release 23856 dated December 3, 1986, regarding redemption notices, but failure to do so shall not in any manner defeat the effectiveness of a call for redemption if notice is given as required by the Warrant Ordinance.

Except in the case of mandatory redemption of the 20__ Term Warrants, if less than all Series 2023-A Warrants Outstanding are to be redeemed, the particular Series 2023-A Warrants to be redeemed may be specified by the City by written notice to the Paying Agent, or, in the absence of timely receipt by the Paying Agent of such notice, shall be selected by the Paying Agent by lot or by such other method as the Paying Agent shall deem fair and appropriate; provided, however, that (i) the principal amount of Series 2023-A Warrants of each maturity (and interest rate, if Series 2023-A Warrants of such maturity bear interest at more than one interest rate) to be redeemed must be a multiple of the smallest authorized denomination of Series 2023-A Warrants, and (ii) if less than all Series 2023-A Warrants with the same stated maturity and interest rate are to be redeemed, the Series 2023-A Warrants of such maturity and interest rate to be redeemed shall be selected by lot by the Paying Agent.

If a trust is established for payment of less than all Series 2023-A Warrants of a particular maturity (and interest rate, if Series 2023-A Warrants of such maturity bear interest at more than one interest rate), the Series 2023-A Warrants of such maturity (and interest rate, if applicable) to be paid from the trust shall be selected by the Paying Agent within 7 days after such trust is established and shall be identified by a separate CUSIP number or other designation satisfactory to the Paying Agent. The Paying Agent shall notify Holders whose Series 2023-A Warrants (or portions thereof) have been selected for payment from such trust and shall direct such Holders to surrender their Series 2023-A Warrants to the Paying Agent in exchange for Series 2023-A Warrants with the appropriate designation.

Upon any partial redemption of any Series 2023-A Warrant, the same shall, except as otherwise permitted by the Warrant Ordinance, be surrendered in exchange for one or more new Series 2023-A Warrants of the same maturity and interest rate and in authorized form for the unredeemed portion of principal.

Any Series 2023-A Warrant (or portion thereof) that is to be redeemed must be surrendered to the Paying Agent for payment of the redemption price. Series 2023-A Warrants (or portions thereof) duly called for redemption will cease to bear interest after the redemption date, unless the City defaults in payment of the redemption price.

The Series 2023-A Warrants are transferable on the Warrant Register maintained at the Principal Office of the Paying Agent. Upon surrender of a Series 2023-A Warrant to be transferred, properly endorsed, a new Series 2023-A Warrant of the same principal amount, maturity and interest rate will be issued to the designated transferee.

The Series 2023-A Warrants are issuable in denominations of $5,000 and any multiple thereof and, subject to the provisions of the Warrant Ordinance, may be exchanged for a like aggregate principal amount of Series 2023-A Warrants of any authorized denominations and of the same maturity and interest rate, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange, but the City may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

It is hereby certified, recited and declared that the indebtedness evidenced and ordered paid by this warrant is lawfully due without condition, abatement or offset of any description; that this warrant has been registered as a claim against the City in the manner provided by law; that all acts, conditions and things required by the Constitution and laws of the State of Alabama to happen, exist and be performed precedent to and in the issuance of this warrant have happened, do exist and have been performed; and that the indebtedness evidenced and ordered paid by this warrant, together with all other indebtedness of the City, is within every debt and other limit prescribed in the Constitution and laws of the State of Alabama.

Unless the certificate of authentication hereon has been executed by the Paying Agent by manual signature, this warrant shall not be entitled to any benefit under the Warrant Ordinance or be valid or obligatory for any purpose.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, the City has caused this warrant to be duly executed under its corporate seal and to be dated _________ __, 2023.

CITY OF DAPHNE

By:____
Its Mayor

[SEAL]

Attest:

____
Its City Clerk

Certificate of Authentication and Registration as Claim Against Debt Service Fund

I hereby certify that this warrant has been authenticated and registered by me as a claim against the City of Daphne, Alabama and the Debt Service Fund referred to in this warrant.

____
Finance Director of the City of Daphne

Certificate of Authentication

This warrant is one of the Series 2023-A Warrants issued pursuant to the within-mentioned Warrant Ordinance.

Date of Authentication: ____________ ____, ______.

________________________, as Paying Agent

By:____
Its Authorized Officer

Assignment

For value received, ____________________________ hereby sell(s), assign(s) and transfer(s) unto ____________________________ this warrant and hereby irrevocably constitute(s) and appoint(s) ____________________________ attorney to transfer this warrant on the books of the within named City at the office of the within named Paying Agent, with full power of substitution in the premises.

Dated: ______________

Signature Guaranteed:*

____
(Bank or Trust Company)

By:______________________________
(Authorized Officer)

Medallion Number:_________________

*Signature(s) must be guaranteed by an eligible guarantor institution which is a member of the recognized signature guarantee program, i.e., Securities Transfer Agents Medallion Program (STAMP), Stock Exchanges Medallion Program (SEMP) or New York Stock Exchange Medallion Signature Program (MSP).

____
NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within Warrant in all respects, without alteration, enlargement or change whatsoever.

[END OF FORM OF SERIES 2023-A WARRANTS]

Section 3.04 Execution and Authentication

(a) The Series 2023-A Warrants shall be executed on behalf of the City by its Mayor under its seal reproduced thereon and attested by its City Clerk and the certification of authentication and registration of each Series 2023-A Warrant as a claim against the Debt Service Fund shall be executed by the Finance Director of the City. The signature of any of these officers on the Series 2023-A Warrants may be manual or, to the extent permitted by law, facsimile. Series 2023-A Warrants bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the City shall bind the City, notwithstanding that such individuals or any of them shall have ceased to hold such offices prior to the authentication and delivery of such Series 2023-A Warrants or shall not have held such offices at the date of such Series 2023-A Warrants.

(b) No Series 2023-A Warrants shall be secured by, or be entitled to, any lien, right or benefit under, this ordinance or be valid or obligatory for any purpose, unless there appears on such Series 2023-A Warrant a certificate of authentication substantially in the form provided for herein, executed by the Paying Agent by manual signature, and such certificate upon any Series 2023-A Warrant shall be conclusive evidence, and the only evidence, that such Series 2023-A Warrant has been duly authenticated and delivered hereunder.

Section 3.05 Reserved

Section 3.06 Registration, Transfer and Exchange

(a) The City shall cause to be kept at the Principal Office of the Paying Agent a register (herein referred to as the "Warrant Register") in which, subject to such reasonable regulations as it may prescribe, the City shall provide for the registration of Series 2023-A Warrants and registration of transfers of Series 2023-A Warrants entitled to be registered or transferred as herein provided. The Paying Agent is hereby appointed "Warrant Registrar" for the purpose of registering Series 2023-A Warrants and transfers of Series 2023-A Warrants as herein provided.

(b) Upon surrender for transfer of any Series 2023-A Warrant at the Principal Office of the Paying Agent, the City shall execute, and the Paying Agent shall authenticate and deliver, in the name of the designated transferee or transferees, a new Series 2023-A Warrant of the same principal amount, maturity and interest rate and of any authorized denominations.

(c) At the option of the Holder, Series 2023-A Warrants may be exchanged for other Series 2023-A Warrants of a like aggregate principal amount, maturity and interest rate and of any authorized denominations upon surrender of the Series 2023-A Warrants to be exchanged at the Principal Office of the Paying Agent. Whenever any Series 2023-A Warrants are so to be surrendered for exchange, the City shall execute, and the Paying Agent shall authenticate and deliver, the Series 2023-A Warrants which the Holder making the exchange is entitled to receive.

(d) All Series 2023-A Warrants surrendered upon any transfer provided for in this ordinance shall be promptly canceled by the Paying Agent.

(e) All Series 2023-A Warrants issued upon any transfer of Series 2023-A Warrants shall be the valid obligations of the City and entitled to the same security and benefits under this ordinance as the Series 2023-A Warrants surrendered upon such transfer.

(f) Every Series 2023-A Warrant presented or surrendered for transfer shall (if so required by the City or the Paying Agent) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the City and the Paying Agent duly executed, by the Holder thereof or his attorney duly authorized in writing.

(g) No service charge shall be made for any transfer of Series 2023-A Warrants, but the City may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2023-A Warrants.

(h) The City shall not be required (i) to transfer any Series 2023-A Warrant during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Series 2023-A Warrants and ending at the close of business on the day of such mailing, (ii) to transfer any Series 2023-A Warrant so selected for redemption in whole or in part, or (iii) to exchange any Series 2023-A Warrant during a period beginning at the opening of business on any Regular Record Date and ending at the close of business on the relevant Interest Payment Date therefor.

Section 3.07 Mutilated, Destroyed, Lost and Stolen Series 2023-A Warrants

(a) If (i) any mutilated Series 2023-A Warrant is surrendered to the Paying Agent, or the City and the Paying Agent receive evidence to their satisfaction of the destruction, loss or theft of any Series 2023-A Warrant, and (ii) there is delivered to the City and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the City or the Paying Agent that such Series 2023-A Warrant has been acquired by a bona fide purchaser, the City shall execute and upon its request the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Series 2023-A Warrant, a new Series 2023-A Warrant, of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(b) Upon the issuance of any new Series 2023-A Warrant under this Section, the City may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

(c) Every new Series 2023-A Warrant issued pursuant to this Section in lieu of any destroyed, lost or stolen Series 2023-A Warrant shall constitute an original additional contractual obligation of the City, whether or not the destroyed, lost or stolen Series 2023-A Warrant shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this ordinance equally and ratably with all other Outstanding Series 2023-A Warrants.

(d) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Series 2023-A Warrants.

Section 3.08 Payment of Interest on Series 2023-A Warrants; Interest Rights Preserved

(a) Interest on any Series 2023-A Warrant which is payable, and punctually paid or duly provided for, on any Interest Payment Date shall be paid to the person in whose name that Series 2023-A Warrant is registered at the close of business on the Regular Record Date for such interest, which shall be the 15th day (whether or not a Business Day) next preceding such Interest Payment Date.

(b) Any interest on any Series 2023-A Warrant which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date solely by virtue of such Holder having been such Holder; and such Defaulted Interest shall be paid by the City to the persons in whose names such Series 2023-A Warrants are registered at the close of business on a special record date (herein called a "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner. The City shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Series 2023-A Warrant and the date of the proposed payment (which date shall be such as will enable the Paying Agent to comply with the next sentence hereof), and at the same time the City shall deposit with the Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held solely for the benefit of the persons entitled to such Defaulted Interest as in this subsection provided. Thereupon, the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest that shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Paying Agent of the notice of the proposed payment. The Paying Agent shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of a Series 2023-A Warrant at his address as it appears in the Warrant Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Series 2023-A Warrants are registered on such Special Record Date.

(c) Subject to the foregoing provisions of this Section, each Series 2023-A Warrant delivered under this ordinance upon transfer of or in exchange for or in lieu of any other Series 2023-A Warrant shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Series 2023-A Warrant and each such Series 2023-A Warrant shall bear interest from such date that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

Section 3.09 Persons Deemed Owners

The City, the Paying Agent and any agent of the City or the Paying Agent may treat the person in whose name any Series 2023-A Warrant is registered as the owner of such Series 2023-A Warrant for the purpose of receiving payment of Debt Service on such Series 2023-A Warrant (subject to Section 3.08) and for all other purposes whatsoever whether or not such Series 2023-A Warrant is overdue, and, to the extent permitted by law, neither the City, the Paying Agent nor any such agent shall be affected by notice to the contrary.

Section 3.10 Paying Agent

(a) Regions Bank, an Alabama banking corporation, is hereby appointed Paying Agent for the purpose of paying Debt Service on the Series 2023-A Warrants on behalf of the City.

(b) Debt Service on the Series 2023-A Warrants shall, except as otherwise provided herein, be payable at the Principal Office of the Paying Agent.

(c) If the bank designated as Paying Agent pursuant to subsection (a) of this Section shall resign or shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of it or of its property shall be appointed or any public officer shall take charge or control of it or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, the City shall appoint a successor Paying Agent. Any successor Paying Agent must have capital and surplus of not less than $25,000,000, and must be subject to supervision or examination by federal or State of Alabama authority. The City shall give notice of the appointment of any such successor Paying Agent by registered or certified mail to the Holders of Series 2023-A Warrants as their names and addresses appear in the Warrant Register.

Section 3.11 Payments Due on a Day Other than a Business Day

If any payment on the Series 2023-A Warrants is due on a day which is not a Business Day, such payment shall be made on the first succeeding day which is a Business Day with the same effect as if made on the day such payment was due.

Section 3.12 Deposit of Amounts Necessary for Payment of Debt Service

Prior to any Warrant Payment Date, the City shall deposit with the Paying Agent an amount of money sufficient to pay all Debt Service due and payable on such Warrant Payment Date, such money to be applied by the Paying Agent in accordance with Section 6.01.

Section 3.13 Cancellation

All Series 2023-A Warrants surrendered for payment, redemption, transfer or exchange shall be promptly canceled by the Paying Agent. No Series 2023-A Warrant shall be registered in lieu of or in exchange for any Series 2023-A Warrant canceled as provided in this Section, except as expressly provided by this ordinance.

Section 3.14 Book-Entry Only System; Payment Provisions

The provisions of this Section shall apply with respect to any Series 2023-A Warrant registered to CEDE & CO. or any other nominee of The Depository Trust Company ("DTC") or a successor securities depository while the Book-Entry Only System is in effect and shall, during the period of their application, supersede any contrary provisions of this ordinance.

The Series 2023-A Warrants shall be issued as one fully registered warrant for each maturity (or maturity and interest rate if the Series 2023-A Warrants of a maturity bear interest at more than one interest rate) in the total principal amount of such maturity (and interest rate, if applicable). On the date of the initial authentication and delivery of the Series 2023-A Warrants, the Series 2023-A Warrants shall be registered in the name of CEDE & CO., as nominee of DTC as the Holder of all the Series 2023-A Warrants. With respect to Series 2023-A Warrants registered in the name of CEDE & CO., as nominee of DTC, the City and the Paying Agent shall have no responsibility or obligation to any Participant (which means securities brokers and dealers, Paying Agents, trust companies, clearing corporations and various other entities, some of whom, or their representatives, own DTC) or to any Beneficial Owner (which means, when used with reference to the Book-Entry Only System, the person who is considered the beneficial owner thereof pursuant to the arrangements for book entry determination of ownership applicable to DTC) with respect to the following: (i) the accuracy of the records of DTC, CEDE & CO. or any Participant with respect to any ownership interest in the Series 2023-A Warrants, (ii) the delivery to any Participant, any Beneficial Owner or any other person, other than DTC, of any notice with respect to the Series 2023-A Warrants, including any notice of redemption, or (iii) the payment to any Participant, or any Beneficial Owner or any other person, other than DTC, of any amount with respect to the principal of or premium, if any, or interest on the Series 2023-A Warrants. The Paying Agent shall pay all principal of and premium, if any, or interest on the Series 2023-A Warrants only to or upon the order of DTC, and all such payments shall be valid and effective fully to satisfy and discharge the City's obligations with respect to the principal of and premium, if any, and interest on such Series 2023-A Warrants to the extent of the sum so paid. No person other than DTC shall receive a Series 2023-A Warrant. Upon delivery by DTC to the Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., the words "CEDE & CO." in this Section shall refer to such new nominee of DTC.

Upon receipt by the Paying Agent of written notice from DTC to the effect that DTC is unable or unwilling to discharge its responsibilities hereunder, the Paying Agent shall issue, transfer and exchange Series 2023-A Warrants as requested by DTC in authorized denominations, and whenever DTC requests the Paying Agent to do so, the Paying Agent will cooperate with DTC in taking appropriate action after reasonable notice to arrange for a substitute bond depository willing and able upon reasonable and customary terms to maintain custody of the Series 2023-A Warrants registered in whatever name or names the Holders transferring or exchanging such Series 2023-A Warrants shall designate, in accordance with this Section.

In the event the City determines that it is in the best interests of the Beneficial Owners that they be able to obtain Series 2023-A Warrants registered in the name of a Holder other than DTC, the City may so notify DTC and the Paying Agent, whereupon DTC will notify the Participants, of the availability through DTC of such Series 2023-A Warrants. In such event, upon the return by DTC of all Series 2023-A Warrants held by DTC in the name of Cede & Co., the Paying Agent shall issue, transfer and exchange Series 2023-A Warrants in authorized denominations as requested by DTC, and whenever DTC requests the City and the Paying Agent to do so, the Paying Agent and the City will cooperate with DTC in taking appropriate action after reasonable notice to make available Series 2023-A Warrants registered in whatever name or names the Beneficial Owners transferring or exchanging Series 2023-A Warrants shall designate, in accordance with this Section.

Notwithstanding any other provision of this ordinance to the contrary, so long as any Series 2023-A Warrant is registered in the name of CEDE & CO., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Series

2023-A Warrant and all notices with respect to such Series 2023-A Warrant shall be made and given, respectively, to DTC as provided in their Letter of Representations.

In the event that the Book-Entry Only System pursuant to this Section is discontinued, the Beneficial Owners shall be registered on the Registry Books as the Holders of the Series 2023-A Warrants. Subsequent to the discontinuation of the Book-Entry Only System, Series 2023-A Warrants may be registered, transferred and exchanged in accordance with the provisions of this ordinance (other than this Section).

ARTICLE 4
Redemption of Series 2023-A Warrants

Section 4.01 General Applicability of Article

The Series 2023-A Warrants shall be redeemable in accordance with the redemption provisions set forth in the form of the Series 2023-A Warrants contained in Section 3.03, the terms and provisions approved by the Mayor pursuant to Section 7.04 hereof, and the provisions of this Article.

Section 4.02 Election to Redeem; Notice to Paying Agent

The election of the City to exercise any right of optional redemption shall be evidenced by a certified resolution of the governing body of the City delivered to the Paying Agent. The notice of election to redeem must be given to the Paying Agent at least 45 days prior to the date fixed for redemption (unless a shorter notice is acceptable to the Paying Agent) and shall specify (i) the principal amount of Series 2023-A Warrants of each maturity (and interest rate if the Series 2023-A Warrants of such maturity bear interest at more than one interest rate) to be redeemed and (ii) the redemption date, subject to the provisions of this ordinance with respect to the permitted period for such redemption.

Section 4.03 Selection by Paying Agent of Series 2023-A Warrants to be Redeemed

(a) Except in the case of mandatory redemption of Series 2023-A Warrants issued as term warrants, if less than all Series 2023-A Warrants Outstanding are to be redeemed, the particular Series 2023-A Warrants to be redeemed may be specified by the City by written notice to the Paying Agent, or, in the absence of timely receipt by the Paying Agent of such notice, shall be selected by the Paying Agent by lot; provided, however, that (i) the principal amount of Series 2023-A Warrants of each maturity (and interest rate if the Series 2023-A Warrants of such maturity bear interest at more than one interest rate) to be redeemed must be a multiple of the smallest authorized denomination of Series 2023-A Warrants, and (ii) if less than all Series 2023-A Warrants with the same stated maturity (and interest rate if the Series 2023-A Warrants of such maturity bear interest at more than one interest rate) are to be redeemed, the Series 2023-A Warrants of such maturity (and interest rate if the Series 2023-A Warrants of such maturity bear interest at more than one interest rate) to be redeemed shall be selected by lot by the Paying Agent.

(b) Upon receipt of a request from the City, the Paying Agent shall promptly confirm to the City in writing the Series 2023-A Warrants selected for redemption and, in the case of any

Series 2023-A Warrant selected for partial redemption, the principal amount thereof to be redeemed.

(c) For all purposes of this ordinance, unless the context otherwise requires, all provisions relating to the redemption of Series 2023-A Warrants shall relate, in the case of any Series 2023-A Warrant redeemed or to be redeemed only in part, to the portion of the principal of such Series 2023-A Warrant which has been or is to be redeemed.

Section 4.04 Notice of Redemption

(a) Unless waived by the Holders of all Series 2023-A Warrants Outstanding, notice of redemption shall be given by United States registered or certified mail, postage prepaid, mailed not more than 60 nor less than 30 days prior to the redemption date, to each Holder of each of the Series 2023-A Warrants to be redeemed, at his address appearing in the Warrant Register.

(b) All notices of redemption shall state:

(1) the redemption date;

(2) the redemption price;

(3) the principal amount of Series 2023-A Warrants to be redeemed, and, if less than all Outstanding Series 2023-A Warrants are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Series 2023-A Warrants to be redeemed;

(4) that on the redemption date the redemption price of each of the Series 2023-A Warrants to be redeemed will become due and payable and that the interest thereon shall cease to accrue from and after said date; and

(5) the place or places where the Series 2023-A Warrants to be redeemed are to be surrendered for payment of the redemption price.

(c) Notice of redemption of Series 2023-A Warrants to be redeemed at the option of the City shall be given by the City or, at the City's request, by the Paying Agent in the name and at the expense of the City.

(d) Any notice of optional redemption may state that the redemption of Series 2023-A Warrants is contingent upon specified conditions, such as receipt of a specified source of funds, or the occurrence of specified events. If the conditions for such redemption are not met, the City shall not be required to redeem the Series 2023-A Warrants (or portions thereof) identified in such notice, and any Series 2023-A Warrants surrendered on the specified redemption date shall be returned to the Holders of such Series 2023-A Warrants.

Section 4.05 Deposit of Redemption Price

Prior to any redemption date, the City shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Series 2023-A Warrants which are to be redeemed on that date. Such money shall be held solely for the benefit of the persons entitled to such redemption price.

Section 4.06 Series 2023-A Warrants Payable on Redemption Date

(a) Notice of redemption having been given as aforesaid, the Series 2023-A Warrants so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Series 2023-A Warrants shall cease to bear interest. Upon surrender of any such Series 2023-A Warrant for redemption in accordance with said notice such Series 2023-A Warrant shall be paid by the City at the redemption price. Installments of interest due prior to the redemption date shall be payable to the Holders of the Series 2023-A Warrants registered as such on the relevant Record Dates according to the terms of such Series 2023-A Warrants and the provisions of Section 3.08.

(b) If any Series 2023-A Warrant called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the redemption date at the Post-Default Rate.

Section 4.07 Series 2023-A Warrants Redeemed in Part

Any Series 2023-A Warrant which is to be redeemed only in part shall be surrendered at the Principal Office of the Paying Agent (with, if the City or the Paying Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the City and the Paying Agent duly executed by, the Holder thereof or his attorney duly authorized in writing), and the City shall execute and the Paying Agent shall authenticate and deliver to the Holder of such Series 2023-A Warrants, without service charge, a new Series 2023-A Warrant or Series 2023-A Warrants, of the same maturity (and interest rate if the Series 2023-A Warrants of such maturity bear interest at more than one interest rate) and of any authorized denomination or denominations, as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2023-A Warrant so surrendered.

ARTICLE 5
Source of Payment

Section 5.01 General Obligation

The indebtedness evidenced and ordered paid by the Series 2023-A Warrants shall be a general obligation of the City for the payment of Debt Service on which the full faith and credit of the City are hereby irrevocably pledged, pro rata and without preference or priority of one Series 2023-A Warrant over another. The City hereby covenants and agrees to levy and collect taxes, to the maximum extent permitted by law, at such rate or rates as shall make available tax proceeds which, when added to the revenues of the City from other sources available for such purposes, will be sufficient to pay the reasonable expenses of carrying on the necessary governmental functions of the City and to pay Debt Service on the Series 2023-A Warrants as the same shall become due and payable.

Section 5.02 Provision for Payment of Series 2023-A Warrants

(a) If Debt Service on the Series 2023-A Warrants is paid in accordance with the terms of the Series 2023-A Warrants and this ordinance, then all covenants, agreements and other obligations of the City to the Holders shall thereupon cease, terminate and become void and be discharged and satisfied. In such event the Paying Agent shall pay to the City any surplus remaining in the Debt Service Fund.

(b) Series 2023-A Warrants shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section if:

(1) in case such Series 2023-A Warrants are to be redeemed on any date prior to their maturity, either (i) the Paying Agent shall receive evidence that notice of such redemption has been given in accordance with the terms of this ordinance or (ii) the City shall confer on the Paying Agent irrevocable authority for the giving of such notice on behalf of the City,

(2) there shall have been deposited with the Paying Agent cash and/or Federal Securities which (assuming due and punctual payment of the principal of and interest on such Federal Securities) will provide money sufficient to pay when due the Debt Service due and to become due on such Series 2023-A Warrants on and prior to the redemption date or maturity date thereof, as the case may be,

(3) such Federal Securities are not subject to redemption prior to their respective maturities at the option of the issuer of such Federal Securities, and

(4) prior to such deposit with the Paying Agent the City shall deliver to the Paying Agent an opinion of nationally recognized bond counsel stating in effect that the terms of such deposit will not result in the interest on any of the Series 2023-A Warrants becoming includible in gross income of the Holders thereof for purposes of federal income taxation.

All cash and/or Federal Securities so deposited with the Paying Agent shall be held in trust and applied by the Paying Agent solely to the payment of Debt Service on such Series 2023-A Warrants as the same shall become due and payable. At such time as any Series 2023-A Warrant shall be deemed paid as aforesaid, it shall no longer be secured by or entitled to the benefits of this ordinance, except for the purpose of any payment from such cash and/or Federal Securities deposited with the Paying Agent and the purpose of transfer and exchange as herein provided.

(c) Any trust established pursuant to this Section may provide for payment of less than all Series 2023-A Warrants outstanding or less than all Series 2023-A Warrants of any remaining maturity (and interest rate if the Series 2023-A Warrants of such maturity bear interest at more than one interest rate).

(d) If any trust provides for payment of less than all Series 2023-A Warrants of a maturity (and interest rate if the Series 2023-A Warrants of such maturity bear interest at more than one interest rate), the Series 2023-A Warrants of such maturity (and interest rate, if applicable) to be paid from the trust shall be selected by the Paying Agent by lot by such method as shall provide for the selection of portions (in authorized denominations) of the principal of Series 2023-A Warrants of such maturity (and interest rate, if applicable) of a denomination larger than the smallest authorized denomination. Such selection shall be made within 7 days after such trust is established. This selection process shall be in lieu of the selection process provided for in Section 4.03, if and to the extent that Series 2023-A Warrants payable from such trust are to be redeemed prior to maturity. After such selection is made, Series 2023-A Warrants that are to be paid from such trust (including Series 2023-A Warrants issued in exchange for such Series 2023-A Warrants pursuant to the transfer or exchange provisions of this Ordinance) shall be identified by a separate CUSIP number or other designation satisfactory to the Paying Agent. The Paying Agent shall notify Holders whose Series 2023-A Warrants (or portions thereof) have been selected for payment from such trust and shall direct such Holders to surrender their Series 2023-A Warrants to the Paying Agent in exchange for Series 2023-A Warrants with the appropriate designation. The selection of Series 2023-A Warrants for payment from such trust pursuant to this Section shall be conclusive and binding on the City.

ARTICLE 6
Debt Service

Section 6.01 Debt Service Fund

(a) There is hereby established a special fund with the Paying Agent entitled "General Obligation Warrants, Series 2023-A Debt Service Fund" (herein called the "Debt Service Fund"). Money in the Debt Service Fund shall be used solely for the payment of Debt Service on the Series 2023-A Warrants as the same shall become due and payable.

(b) The City shall deposit into the Debt Service Fund the following amounts on or before the following dates:

(1) on or before the last business day of December, 2023, and on or before the last business day of each June and December thereafter, an amount equal to the interest becoming due with respect to the then outstanding Series 2023-A Warrants on the next succeeding Interest Payment Date; and

(2) on or before the last business day of each June, an amount equal to the principal amount of Series 2023-A Warrants maturing on the next succeeding July 1.

If on any Warrant Payment Date the balance in the Debt Service Fund is insufficient to pay the Debt Service on the Series 2023-A Warrants due and payable on such date, (i) the Paying Agent shall provide immediate written notice thereof to the Finance Director of the City, (ii) the Paying Agent shall apply those monies in the Debt Service Fund to the payment of Debt Service on the Series 2023-A Warrants pro rata, without preference or priority of one Series 2023-A Warrant over another, and (iii) the City shall forthwith pay any such deficiency into the Debt Service Fund.

(c) Monies in the Debt Service Fund are hereby pledged and shall be held for the benefit and security solely of the Series 2023-A Warrants. The Paying Agent shall not be entitled to any set-off or lien against monies in the Debt Service Fund for the payment of expenses.

Section 6.02 Transfer of Funds

The Finance Director of the City shall collect the taxes, revenues and other general funds of the City available for the payment of Debt Service on the Series 2023-A Warrants and shall deposit the same in the Debt Service Fund in the amounts and at the times required in Section 6.01.

Section 6.03 Security for Debt Service Fund

Any money on deposit in the Debt Service Fund or held by the Paying Agent pursuant to this ordinance shall, unless invested as provided herein or secured by the Federal Deposit Insurance Corporation (or any successor agency of the United States of America), be secured for the benefit of the City and the Holders of the Series 2023-A Warrants either:

(a) by holding on deposit as collateral security Federal Securities, or other marketable securities eligible as security for the deposit of public funds under regulations of the Comptroller of the Currency, having a market value (exclusive of accrued interest) not less than the amount of money being secured; or

(b) if the furnishing of security in the manner provided in the foregoing subsection (a) is not permitted by the then applicable laws and regulations, then in such manner as may be required or permitted by the applicable State of Alabama and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds.

Section 6.04 Investment of Debt Service Fund

(a) The City may cause any money on deposit in the Debt Service Fund not then needed for the payment of Debt Service on the Series 2023-A Warrants to be invested or reinvested by the Paying Agent in Qualified Investments. All such investments must mature or be subject to redemption at the option of the holder on or prior to the respective date or dates when cash funds will be required for purposes of the Debt Service Fund. Any investment made with money on deposit in the Debt Service Fund shall be held by or under control of the Paying Agent and shall be deemed at all times a part of the Debt Service Fund.

(b) All interest accruing on such investments and any profit realized therefrom shall be deposited in the Debt Service Fund and shall be credited to the deposits required by Section 6.01; any losses resulting from liquidation of investments shall be charged to the Debt Service Fund and shall be added to the next ensuing deposit specified in Section 6.01. The Paying Agent shall sell and reduce to cash a sufficient portion of such investments whenever the cash balance in the Debt Service Fund is insufficient to pay Debt Service on the Series 2023-A Warrants when due. On the request of the City, any monies in the Debt Service Fund in excess of deposits required under Section 6.01 shall be paid to the City.

(c) Any investment of money in the Debt Service Fund may be made by the Paying Agent through its own investment department or other commercial banking department providing investment services. Any certificate of deposit issued by, or other interest-bearing deposit with, the Paying Agent shall be deemed an investment rather than a deposit requiring security in the manner specified in Section 6.03.

ARTICLE 7
Sale and Delivery of Series 2023-A Warrants; Approval of Terms

Section 7.01 Sale of Series 2023-A Warrants

(a) The Series 2023-A Warrants shall be sold pursuant to a Warrant Purchase Agreement, dated the date of such sale, between the City and Piper Sandler & Co. (the "Original Purchaser"), for a purchase price to be specified therein and approved by the Mayor pursuant to Section 7.04 hereof.

(b) The Mayor, the City Clerk and the Finance Director are directed to take the actions specified in Section 3.04(a) hereof and thereupon to deliver the Series 2023-A Warrants to the Paying Agent for authentication and to deliver them to, or pursuant to the instructions of, the Original Purchaser upon payment to the City of the purchase price therefor (it being understood and acknowledged that such delivery shall not occur until the settlement date).

(c) The proceeds of the Series 2023-A Warrants shall be held and applied solely for the purposes specified in this ordinance.

Section 7.02 Official Statement, Agreements and Closing Papers

(a) The form of Preliminary Official Statement relating to the Series 2023-A Warrants attached hereto as Exhibit A and submitted to this meeting is hereby approved in substantially the form presented, and the distribution thereof to prospective purchasers of the Series 2023-A Warrants is hereby authorized, with such changes thereto and deletions therefrom as the Mayor may deem necessary and appropriate to conform the Preliminary Official Statement with any of the provisions of this ordinance or to permit the sale of the Series 2023-A Warrants on terms most favorable to the City. The Preliminary Official Statement is deemed final within the meaning of S.E.C. Rule 15c2-12. The Mayor is hereby authorized to approve the form and distribution of a final Official Statement with respect to the Series 2023-A Warrants; provided said Official Statement shall conform to the conditions and limitations with respect to the issuance and sale of the Series 2023-A Warrants set out herein, including, without limitation, in Section 7.04 hereof. The Mayor is further authorized to execute and deliver the final Official Statement and to cause and permit the said final Official Statement and any supplements or amendments thereto to be distributed as may be necessary and appropriate to accomplish the purposes of this ordinance. The approval by the Mayor of the forms of the Preliminary Official Statement and the final Official Statement, and any supplements or amendments thereto, shall be evidenced by and need be evidenced only by his execution of the final Official Statement.

(b) The Mayor is hereby authorized and directed to execute and deliver the Warrant Purchase Agreement in substantially the form attached hereto as Exhibit B and presented to the City Council at the time of adoption of this ordinance with such changes or additions thereto or deletions therefrom as the Mayor shall approve, including, without limitation, approval of the members of the syndicate purchasing the Series 2023-A Warrants, which approval shall be conclusively evidenced by his execution of such instrument; provided the Warrant Purchase Agreement shall conform to the conditions and limitations with respect to the issuance and sale of the Series 2023-A Warrants set out herein, including, without limitation, in Section 7.04 hereof. The City Clerk is hereby authorized to affix the City's seal to such instrument and to attest the same.

(c) The Mayor is hereby authorized and directed to execute and deliver the Disclosure Dissemination Agent Agreement in substantially the form attached hereto as Exhibit C and presented to the City Council at the time of adoption of this ordinance with such changes or additions thereto or deletions therefrom as the Mayor shall approve, which approval shall be conclusively evidenced by his execution of such instrument. The City Clerk is hereby authorized to affix the City's seal to such instrument and to attest the same.

(d) The officers of the City and any person or persons designated and authorized by any officer of the City to act in the name and on behalf of the City, or any one or more of them, are authorized to do and perform or cause to be done and performed in the name and on behalf of the City such other acts, to pay or cause to be paid on behalf of the City such related costs and expenses, and to execute and deliver or cause to be executed and delivered in the name and on behalf of the City such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates (including without limitation, the Tax Certificate and Agreement), agreements, further assurances, or other instruments or communications, as they or any of them may deem necessary, advisable, or appropriate in order to carry into effect the intent of the provisions of this ordinance and to demonstrate the validity of the Series 2023-A Warrants, the absence of any pending or threatened litigation with respect to the Series 2023-A Warrants and the transactions contemplated by this ordinance, and the exemption of interest on the Series 2023-A Warrants from Federal and State of Alabama income taxation. Any and all actions of any officer of the City and any person or persons designated and authorized by any officer of the City in connection with any of the activities provided for in this Section 7.02(e) taken prior to the adoption of this ordinance are hereby ratified and approved.

Section 7.03 Application of Proceeds

The proceeds from the sale of the Series 2023-A Warrants shall be delivered to the Finance Director of the City and shall be applied by the Finance Director for the following purposes:

(a) an amount of proceeds from the sale of the Series 2023-A Warrants sufficient to pay, or to reimburse the City for payment of, the costs of issuance of the Series 2023-A Warrants shall be used for such purpose. The Mayor and the Finance Director of the City are hereby authorized and directed to provide for the payment, out of the proceeds of the Series 2023-A Warrants, of the customary and reasonable expenses incurred by the City in connection with the issuance of the Series 2023-A Warrants; and

(b) the remaining proceeds of the Series 2023-A Warrants shall be used to pay the costs of renovating and expanding the City Justice Center and the construction and equipping of a new City animal shelter or such additional and/or capital expenditures of the City as the City may approve; provided, the use of Series 2023-A Warrant proceeds shall at all times comply with the Tax Certificate and Agreement.

Section 7.04 Approval of Terms

(a) The Series 2023-A Warrants shall be issued, if at all, subject to the discretion of the Mayor, in consultation with the City's Finance Director and the City's financial and legal professionals, based on prevailing market conditions and other relevant considerations at the time of the proposed sale thereof. The issuance of the Series 2023-A Warrants shall in itself conclusively evidence the determination by the Mayor that market and other conditions at that time warranted the issuance of the Series 2023-A Warrants.

(b) The City Council hereby determines and prescribes the following terms, provisions and other matters relative to the Series 2023-A Warrants:

(i) The Series 2023-A Warrants may be issued as serial warrants, term warrants or any combination thereof; provided, that the aggregate principal amount of Series 2023-A Warrants issued may not exceed $10,000,000.

(ii) The true interest cost of the Series 2023-A Warrants may not exceed 5.000%.

(iii) The final maturity if the Series 2023-A Warrants shall be no later than July 1, 2043.

(iv) The Series 2023-A Warrants shall be subject to optional redemption at such time or times and for a redemption price or prices that satisfy the requirements of Alabama law applicable to the Series 2023-A Warrants as the Mayor shall approve. The terms of such optional redemption shall be substantially as provided in Section 3.03 hereof with such changes or additions thereto or deletions therefrom as the Mayor shall approve.

(v) The Series 2023-A Warrants may be subject to mandatory redemption at such time or times as the Mayor shall approve. The terms of any such mandatory redemption shall be substantially as provided in Section 3.03 hereof with such changes or additions thereto or deletions therefrom as the Mayor shall approve.

(vi) Subject to the terms and conditions expressly provided for by the City Council in this ordinance, the Mayor is authorized to approve the pricing details of the Series 2023-A Warrants, including, without limitation, the aggregate principal amount of the Series 2023-A Warrants, the maturity dates of the Series 2023-A Warrants and the principal amount maturing on each such date, the interest rate or rates borne by each maturity of the Series 2023-A Warrants, the redemption terms, and the purchase price of the Series 2023-A Warrants, including, without limitation, the underwriter's discount paid to the Original Purchaser and to make any other determinations and approve any other terms or provisions of the Series 2023-A Warrants and any documents relating to the transactions contemplated in this ordinance.

(c) Any terms, conditions or other matters that the Mayor is entrusted or authorized to determine in Section 7.04(b) or elsewhere in this ordinance shall be conclusively determined by the execution by the Mayor of the Series 2023-A Warrants or any documents relating to the issuance and sale thereof or the transactions contemplated herein. In addition to the execution of the Series

2023-A Warrants or any other documents containing terms, conditions or other matters determined by the Mayor pursuant to the authority granted in this ordinance, the Mayor shall execute and include in the transcript of the proceedings with respect to the issuance of the Series 2023-A Warrants a certificate setting forth the following: the aggregate principal amount of the Series 2023-A Warrants to be issued, the maturity dates of the Series 2023-A Warrants and the principal amount maturing on each such date, the interest rate or rates borne by each maturity of the Series 2023-A Warrants, the date or dates and the redemption price or prices at which the Series 2023-A Warrants are subject to optional redemption, the mandatory redemption schedule for the Series 2023-A Warrants issued as term warrants, if any, the purchase price of the Series 2023-A Warrants, and the underwriter's discount paid to the Original Purchaser.

ARTICLE 8
Miscellaneous

Section 8.01 Covenants Regarding Tax Exemption

The City covenants and agrees that it will, to the extent permitted by law, comply with the provisions of the Internal Revenue Code that constitute conditions to or requirements for the exclusion of the interest income on the Series 2023-A Warrants from the gross income of the recipients thereof for Federal income tax purposes pursuant to the provisions of Section 103 of the Internal Revenue Code. Without limiting the generality of the foregoing, the City will (a) rebate to the United States such amounts from investment earnings on proceeds of the Series 2023-A Warrants at such times, and restrict the yield on the investment of such proceeds in such manner, as shall be necessary to prevent the Series 2023-A Warrants from being or becoming "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, (b) maintain such records respecting the investment and expenditure of proceeds of the Series 2023-A Warrants as may be needed to calculate the amounts of any such required payments and (c) not apply the proceeds derived from the sale of the Series 2023-A Warrants in a manner that would cause the Series 2023-A Warrants to be or become "private activity bonds" within the meaning of Section 141 of the Internal Revenue Code.

The City shall assure that (i) not in excess of ten percent (10%) of the net proceeds of the Series 2023-A Warrants is used for Private Business Use if, in addition, the payment of more than ten percent (10%) of the principal or ten percent (10%) of the interest due on the Series 2023-A Warrants during the term thereof is, under the terms of the Series 2023-A Warrants or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the City, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (A) in excess of five percent (5%) of the net proceeds of the Series 2023-A Warrants are used for a Private Business Use, and (B) an amount in excess of five percent (5%) of the principal or five percent (5%) of the interest due on the Series 2023-A Warrants during the term thereof is, under the terms of the Series 2023-A Warrants or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the City, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said five percent (5%) of net proceeds of the Series 2023-A Warrants used for a Private Business Use shall be used for a Private Business Use related to the governmental use of a portion of the projects financed with the Series 2023-A Warrant proceeds and shall not exceed the proceeds used for the governmental use of the portion of such projects to which such Private Business Use is related.

The City shall assure that not in excess of the lesser of five percent (5%) of the net proceeds of the Series 2023-A Warrants or five million dollars are used, directly or indirectly, to make or finance a loan (other than loans constituting nonpurpose investments (within the meaning of section 148(f)(6)(A) of the Internal Revenue Code)) to persons other than state or local government units.

The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Series 2023-A Warrants to be "federally guaranteed" within the meaning of Section 149(b) of the Internal Revenue Code.

The City covenants and agrees that it will comply with the provisions of the Tax Certificate and Agreement to be executed and delivered by the City upon delivery of the Series 2023-A Warrants.

Section 8.02 Provisions of Ordinance a Contract

The terms, provisions and conditions set forth in this ordinance constitute a contract between the City and the Holders of the Series 2023-A Warrants and shall remain in effect until the Debt Service on the Series 2023-A Warrants shall have been paid in full or provision for such payment has been made in accordance with Article 5.

Section 8.03 Severability Clause

If any provision in this ordinance or in the Series 2023-A Warrants shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 8.04 Notices to Warrant Holders; Waiver

(a) Where this ordinance provides for notice to any Holder of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to such Holder at the address of such Holder as it appears in the Warrant Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice.

(b) In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this ordinance provides for notice in any manner, such notice may be waived in writing by the person 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 Holders shall be filed with the City and the Paying Agent, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 8.05 Repeal of Conflicting Provisions

All ordinances, resolutions and orders or parts thereof in conflict with this ordinance are, to the extent of such conflict, hereby repealed.

Section 8.06 Effect of Headings and Table of Contents

The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

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Adopted this 5th day of September, 2023.

Mayor

[SEAL]

ATTEST:

City Clerk

Exhibit A

Preliminary Official Statement

Exhibit B

Warrant Purchase Agreement

Exhibit C

Disclosure Dissemination Agent Agreement

WARRANT PURCHASE AGREEMENT

between

CITY OF DAPHNE, ALABAMA

and

PIPER SANDLER & CO.

relating to

$__________
City of Daphne, Alabama
General Obligation Warrants,
Series 2023-A

TABLE OF CONTENTS

WARRANT PURCHASE AGREEMENT

1. Parties and Relevant Dates

Issuer:	City of Daphne, an Alabama municipality
Underwriter:	Piper Sandler & Co.
Securities:	$_________ principal amount General Obligation Warrants, Series 2023-A
Acceptance Deadline:	_______ __, 2023, 5:00 p.m., Central time

Effective Date and Time of Formal Award: _______ __, 2023, ____ p.m., Central time

Closing Date: _______ __, 2023

2. Defined Terms

All capitalized terms used in this Agreement and not otherwise defined are used as defined in the Authorizing Ordinance or the Official Statement:

Acceptance Deadline: The date set forth in Section 1, being the date and time by which the Issuer must accept this Agreement.

Act: Section 11-47-2 of the Code of Alabama 1975, as amended.

Agreement: This Warrant Purchase Agreement, dated the Effective Date, including **Schedule I** attached hereto.

Authorizing Ordinance: The Ordinance enacted by the Issuer's governing body on September 5, 2023, authorizing the issuance of the Securities, as amended and supplemented to the Closing Date.

Bond Counsel: Balch & Bingham LLP, Birmingham, Alabama.

Bond Insurer: The issuer of the Policy, if any, identified in this Agreement.

Closing Date: The date set forth in Section 1 of this Agreement, being the date of the issuance and delivery of the Securities.

Continuing Disclosure Undertaking: The continuing disclosure undertaking or agreement, if any, entered into by the Issuer with respect to the Securities in accordance with Rule 15c2-12 (which may be a separate document or may be included in the Authorizing Ordinance or another Issuer Document).

Creditors' Rights Laws: Limitations on enforceability as may result from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution.

DTC: The Depository Trust Company.

Effective Date and Time: The date and time that this Agreement is effective, as set forth in Section 1 of this Agreement.

End of the Underwriting Period: The later of (i) the Closing Date or (ii) when the Underwriter no longer retains an unsold balance of the Securities.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Excluded Sections: For purposes of the representations and warranties of the Issuer set forth in Section 9(a)(viii), the indemnification provisions set forth in Section 16 and the opinion of Issuer's Counsel required pursuant to Section 13, the "Excluded Sections" of the Preliminary Official Statement and the Official Statement shall be: (i) the section describing DTC and its book-entry-only procedures, (ii) any information provided by the Bond Insurer expressly for use in the Official Statement, and (iii) the section captioned "Underwriting" if provided in writing by the Underwriter.

Issuer: The Issuer of the Securities, identified in Section 1.

Issuer Documents: All financing documents to which the Issuer is a party relating to the issuance of and security for the Securities, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

(i) this Agreement,

(ii) any Continuing Disclosure Undertaking, if contained separately or in the Authorizing Ordinance,

(iii) the Authorizing Ordinance and other applicable financing or operative documents to which the Issuer is a party, as such documents are amended and supplemented to the Closing Date, including any trust indenture, loan agreement, security instrument, and remarketing agreement, and any agreement with the Bond Insurer.

Issuer's Counsel: Adams & Reese LLP, Mobile, Alabama.

MSRB: Municipal Securities Rulemaking Board.

Official Statement: Official Statement dated _______ __, 2023, relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Paying Agent: Regions Bank, acting as registrar and/or paying agent for the Securities.

Policy: A municipal bond insurance policy, if any, issued by the Bond Insurer, insuring the payment when due of the principal of and interest on the Securities, as identified in this Agreement.

Preliminary Official Statement: Preliminary Official Statement dated **_______ __**, 2023, relating to the Securities, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Primary Offering Disclosure Period: The period commencing with the first submission to an underwriter of an order for the purchase of the Securities or the purchase of such Securities from the Issuer, whichever first occurs, and ending 25 days after the final delivery by the Issuer or its agent of all Securities to or through the underwriting syndicate or sole underwriter.

Purchase Price: The aggregate amount specified in Section 5 as the Purchase Price to be paid by the Underwriter at the Closing for the purchase of the Securities on the Closing Date.

Rule 15c2-12: Rule 15c2-12 promulgated by the SEC under the Exchange Act.

SEC: Securities and Exchange Commission of the United States.

Securities: The Securities identified in Section 1 on the first page of this Agreement, as more specifically described in **Schedule I**.

Securities Act: The Securities Act of 1933, as amended.

State: State of Alabama.

Trust Indenture Act: Trust Indenture Act of 1939, as amended.

Underwriter: The firm identified as such in Section 1 of this Agreement.

Underwriter's Counsel: Ezell Law, LLC.

3. Offer to Purchase the Securities; Execution of Terms and Acceptance

The Issuer and the Underwriter are entering into this Warrant Purchase Agreement (the "*Agreement*"), to provide for the purchase and sale of the Securities. The Securities are further described in **Schedule I**.

The Underwriter hereby offers to purchase all (but not less than all) of the Securities from, and to enter into this Agreement with, the Issuer. This offer is subject to acceptance by the Issuer by the Acceptance Deadline and, if not so accepted, will be subject to withdrawal by the Underwriter by written notice delivered to the Issuer at any time prior to acceptance. The Issuer shall accept this Agreement by its execution hereof. Upon such execution, the Agreement will be binding upon the Underwriter and the Issuer. This Agreement is effective as of the Effective Date and Time.

4. Purchase of the Securities

The Underwriter shall purchase from the Issuer, and the Issuer shall sell to the Underwriter, all (but not less than all) of the Securities on the Closing Date at the aggregate Purchase Price set forth below, plus accrued interest, if any. The Securities shall bear interest at the rates per annum, mature on the dates, be sold to the public at the prices and be subject to optional and mandatory sinking fund redemption prior to maturity and to such other terms and provisions, all as set forth in **Schedule I**. The Securities otherwise shall be as described in the Official Statement, the Authorizing Ordinance and the Issuer Documents. The Underwriter's agreement to purchase the Securities from the Issuer is made in reliance upon the Issuer's representations, covenants and warranties and on the terms and conditions set forth in this Agreement.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction between the Issuer and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer, (ii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or any other person or entity with respect to the transaction contemplated in this Agreement and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated in this Agreement and the discussions, undertakings and proceedings leading (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters), (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement, and (iv) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

5. Purchase Price

The Purchase Price applicable to the Securities is $_______ (representing the principal amount of the Securities, less an underwriter's discount of $______, and plus net original issue premium of $__________). The aggregate Purchase Price shall be payable on the Closing Date by the Underwriter to or as directed by the Issuer by wire transfer in immediately available funds or as otherwise agreed by the Issuer and the Underwriter. In accordance with Section 18, the Underwriter also will be reimbursed for those out-of-pocket expenses described therein.

6. Public Offering

The Underwriter agrees to make a bona fide initial public offering of all the Securities in compliance with federal and state securities laws, at a price not in excess of the initial offering price set forth in the Official Statement. Subject to Section 14, the Underwriter may change the initial offering price or prices as it deems necessary in connection with the offering of the Securities without any requirement of prior notice, and may offer and sell the Securities to certain institutions at prices lower than those stated in the Official Statement. Upon the request of Bond Counsel, the Underwriter shall execute and deliver prior to the Closing an issue price certificate or similar certificate in form and substance reasonably satisfactory to Bond Counsel and the Underwriter.

7. Good Faith Deposit

No Good Faith Deposit will be delivered.

8. Official Statement

The Issuer hereby consents to and ratifies the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the public offering of the Securities by the Underwriter, and further confirms the authority of the Underwriter to use, and consents to the use of, the final Official Statement with respect to the Securities in connection with the public offering and sale of the Securities. The Issuer hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriter was “deemed final” by the Issuer as of its date for purposes of Rule 15c2-12, except for permitted omissions.

(a) The Issuer, at its cost, shall provide, or cause to be provided, to the Underwriter within seven business days after the date of this Agreement (or within such shorter period as may be approved by the Underwriter or required by applicable rule) such number of copies of a final Official Statement as reasonably requested by the Underwriter, but in sufficient quantity to permit the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12, and Rule G-32 and any other applicable rules of the SEC and the MSRB.

(b) The Issuer authorizes the Underwriter to file, to the extent required by any applicable SEC or MSRB rule, and the Underwriter agrees to so file, the Official Statement with the MSRB or its designee. If an amended Official Statement is prepared during the “primary offering disclosure period,” and if required by any applicable SEC or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The Issuer shall provide the Underwriter with the information necessary to complete MSRB Form G-32 for all filings to be made under this Section 8.

(c) The Preliminary Official Statement and the Official Statement may be delivered in printed and a “designated electronic format” as defined in the MSRB’s Rule G-32 and as may be agreed by the Issuer and the Underwriter. If the Official Statement has been prepared in electronic form, the Issuer hereby confirms that it does not object to distribution of the Official Statement in electronic form.

(d) The Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The Issuer covenants to notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period, (or such other period as may be agreed to by the Issuer and the Underwriter) any event shall occur, or information comes to the attention of the Issuer, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the Issuer’s expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a “designated electronic format" consistent with the requirements of the MSRB's Rule G-32 and (ii) a printed format form in substance mutually agreed upon by the Issuer and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing Date, the Issuer also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

9. Representations and Warranties

(a) Representations and Warranties of the Issuer. The Issuer hereby agrees with, and makes the following representations and warranties to, the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(i) The Issuer is duly created and existing under the constitution and laws of the State and has full legal right, power and authority under the constitution and laws of the State, including the Act, to adopt the Authorizing Ordinance, to execute and deliver the Issuer Documents and the Official Statement, to issue, sell and deliver the Securities as provided herein, and to carry out and to consummate the transactions contemplated by the Authorizing Ordinance, the Issuer Documents and the Official Statement.

(ii) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved (A) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement for use by the Underwriter in connection with the public offering of the Securities, (B) the issuance and sale of the Securities upon the terms set forth herein and as contemplated by the Authorizing Ordinance, the Issuer Documents and the Official Statement and (C) the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Securities, the Authorizing Ordinance and the Issuer Documents.

(iii) The Securities will be issued in conformity with and entitled to the benefit and security of the Authorizing Ordinance and the Issuer Documents, including the pledge of the full faith and credit of the Issuer.

(iv) This Agreement constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; the other Issuer Documents, when duly executed and delivered, will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms; and the Securities, when issued, authenticated and delivered in accordance with the Issuer Documents and sold to the Underwriter as provided herein, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms; in all cases, except as the enforceability of this Agreement, the other Issuer Documents and the Securities may be limited by application of Creditors' Rights Laws.

(v) Except as may be described in the Preliminary Official Statement or the Official Statement, the Issuer is not in breach of or default in any material respect under (if applicable) its charter documents, its articles of incorporation or its bylaws or under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing.

(vi) The adoption, execution and delivery of the Securities, the Authorizing Ordinance and the Issuer Documents, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets are otherwise subject, and such adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the property or assets, if any, of the Issuer to be pledged to secure the Securities or under the terms of any such law, regulation or instrument, except as provided by the Securities, the Authorizing Ordinance and the Issuer Documents.

(vii) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Securities or the due performance by the Issuer of its obligations under the Authorizing Ordinance, the Issuer Documents and the Securities have been duly obtained or will be obtained prior to the Closing, except for: (A) such authorizations, approvals, consents and orders, if any, as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Securities, and (B) authorizations, approvals, consents and orders that are required to be obtained or renewed periodically, such as budgets, licenses and permits.

(viii) The Preliminary Official Statement as of its date did not, and the Official Statement as of its date does not and as of the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections of the Preliminary Official Statement or the Official Statement.

(ix) The financial statements of the Issuer contained in the Preliminary Official Statement and the Official Statement fairly present the financial position and results of operations of the Issuer as of the dates and for the periods therein set forth in accordance with generally accepted accounting principles consistently applied, and, since the date thereof, there has been no material adverse change in the financial position or results of operations of the Issuer.

(x) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, agency, public board or body, pending or, to the knowledge of the Issuer, threatened against the Issuer: (A) affecting the existence of the Issuer or the titles of its officers to their respective offices, (B) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Securities or the collection by the Issuer of any tax proceeds payable to it or the making of any required deposits with respect to the Securities, (C) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Securities, the Authorizing Ordinance or the Issuer Documents, (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, (E) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to apply its tax proceeds or other revenues to pay debt service on the Securities, or (F) contesting the status of the interest on the Securities as excludable from gross income for federal income tax purposes or the status of the interest on the Securities as exempt from any applicable state tax, in each case as described in the Official Statement.

(xi) The Issuer has received all licenses, permits or other regulatory approvals required, if any, for the collection and/or application by the Issuer of the tax proceeds payable to it and the Issuer is not in material default, and no event has occurred which would constitute or result in a material default, under any such licenses, permits or approvals.

(xii) The Issuer has entered or will enter into the Continuing Disclosure Undertaking and, except for the failures described in the Official Statement, the Issuer has not failed during the previous five years to comply in all material respects with any previous undertakings in a written continuing disclosure contract or agreement under Rule 15c2-12.

(xiii) The Authorizing Ordinance, the Issuer Documents and the Securities conform to the description thereof contained in the Official Statement.

(xiv) The Issuer has the legal authority to apply proceeds of the Securities for the purposes contemplated by the Authorizing Ordinance and the Issuer Documents, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Securities to the extent required by this Agreement and in compliance with applicable law.

(b) Covenants of the Issuer. The Issuer hereby covenants with the Underwriter that:

(i) Prior to the Closing Date, except as otherwise contemplated by the Official Statement, the Issuer shall not create, assume or guarantee any general obligation indebtedness (other than obligations incurred with respect to the reasonable and necessary expenses of the Issuer's normal operations), or pledge or otherwise encumber any of its tax proceeds or other revenues, assets, properties, funds or interests that are expected to be available as security for the Securities.

(ii) The Issuer shall cooperate with the Underwriter in the qualification of the Securities for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions, to the extent applicable, as the Underwriter may request; provided that the Issuer shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, any other state or to file any general or special consents to service of process under the laws of any jurisdiction.

(iii) The Issuer shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Securities, or the exemption from any applicable state tax of the interest on the Securities.

(c) Representations and Warranties of the Underwriter. The Underwriter hereby agrees with, and makes the following representations and warranties to, the Issuer, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(i) The Underwriter is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

(ii) This Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the Issuer, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Agreement may be limited by application of Creditors' Rights Laws.

(iii) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

10. Third-Party Credit Enhancement or Support

No Policy or Support Facility will be provided with respect to the Securities.

11. Ratings

The following ratings on the Securities shall be in effect on the Closing Date:

Moody's: None
S&P: AA+ (stable outlook)
Fitch: None

12. Closing

(a) The delivery of and payment for the Securities shall be the "Closing" for the Securities and shall occur at or prior to 1:00 p.m., New York City time, on the Closing Date, or at such other time or on such other date as may be mutually agreed by the Underwriter and the Issuer. The location of the Closing shall be at such place as shall be mutually acceptable to the Issuer and the Underwriter.

(b) At the Closing, the Issuer shall deliver or cause to be delivered the Securities to DTC or to the Paying Agent on behalf of the Underwriter, as further described in paragraph (c) below. The Securities shall be delivered in definitive form, duly executed by the Issuer and authenticated by the Paying Agent, together with the other documents identified in Section 13. Subject to satisfaction of the conditions contained in this Agreement, the Underwriter will accept delivery of the Securities as described above and pay the Purchase Price, plus accrued interest, if any, on the Securities from their dated date to, but not including, the Closing Date, in immediately available funds, payable to the order of the Paying Agent or as otherwise directed by the Issuer.

(c) Delivery of the definitive Securities shall be made through the facilities of DTC's book-entry-only system in New York, New York, or at such other location as may be designated by the Underwriter prior to the Closing. The Securities will be delivered as fully-registered warrants, bearing CUSIP numbers, with a single warrant for each maturity of each series of the Securities (or, if so provided in **Schedule I**, for each separate interest rate within a maturity), and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Securities. Unless otherwise requested by the Underwriter, the Securities will be delivered under DTC's FAST delivery system.

13. Closing Conditions

The Underwriter shall receive on the Closing Date, in form and substance satisfactory to Bond Counsel and to the Underwriter, each item specified below, unless waived by the Underwriter:

(i) The approving opinion of Bond Counsel, addressed to the Underwriter (or addressed to the Issuer with a reliance letter addressed to the Underwriter), dated the Closing Date, and in substantially the form included as an appendix to the Official Statement.

(ii) The supplemental opinion of Bond Counsel, addressed to the Underwriter and the Issuer, dated the Closing Date, to the effect that:

(A) this Agreement has been duly authorized, executed and delivered by the Issuer and constitutes the legal, valid and binding agreement of the Issuer, enforceable against the Issuer in accordance with its terms, except as such enforceability may be limited by Creditors' Rights Laws;

(B) the statements and information contained in the Preliminary Official Statement as of its date and the Official Statement, as of its date and as of the date of such opinion, relating to the Securities, the security and sources of payment for the Securities and the tax status of the Securities fairly and accurately summarize the provisions of the documents or matters of law indicated therein, as of such dates, and the statements describing the Authorizing Ordinance and the Issuer Documents contained in the Official Statement, as of its date and as of the date of such opinion, fairly and accurately summarize the provisions of such documents purported to be summarized as of such dates; and

(C) the Securities are exempt from registration pursuant to the Securities Act and the Authorizing Ordinance is exempt from qualification as an indenture pursuant to the Trust Indenture Act.

(iii) The opinion of Issuer's Counsel, addressed to the Underwriter and the Issuer, dated the Closing Date, to the effect that:

(A) the Issuer is duly created and existing under the constitution and laws of the State and has full legal right, power and authority under the constitution and laws of the State, including the Act, to adopt the Authorizing Ordinance, to execute and deliver the Issuer Documents and the Official Statement, and to issue the Securities and apply the proceeds thereof pursuant to the Authorizing Ordinance and the Issuer Documents, and compliance with the provisions of each thereof will not conflict with or constitute a violation or breach of or default under any existing law or administrative rule or regulation, or, to the best of the knowledge of such counsel, any court order or decree, or any agreement, contract or other instrument to which the Issuer is a party or is otherwise subject or bound;

(B) by all necessary official action of the Issuer, the Issuer has duly authorized and approved (1) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement, (2) the issuance and sale of the Securities upon the terms set forth in the Authorizing Ordinance, the Issuer Documents and the Official Statement and (3) the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Securities, the Authorizing Ordinance and the Issuer Documents;

(C) the Authorizing Ordinance and any other ordinances or resolutions of the Issuer approving and authorizing the issuance and sale of the Securities, the distribution of the Preliminary Official Statement and the execution and delivery of the Issuer Documents and the Official Statement were duly adopted at one or more meetings of the governing body of the Issuer that were called and held pursuant to all applicable laws and regulations, and with all public notice required by all applicable laws and regulations and at which a quorum was present and acting throughout;

(D) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, agency, public board or body pending, or, to the knowledge of such counsel, threatened against the Issuer: (1) affecting the existence of the Issuer or the titles of its officers to their respective offices, (2) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Securities or the collection by the Issuer of any tax proceeds payable to it or the making of any required deposits with respect to the Securities, (3) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Securities, the Authorizing Ordinance or the Issuer Documents, (4) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or any amendment or supplement thereto, (5) except as disclosed in the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to apply its tax proceeds or other revenues to pay debt service on the Securities, or (6) contesting the status of the interest on the Securities as excludable from gross income for federal income tax purposes or the status of the interest on the Securities as exempt from any applicable state tax, in each case as described in the Official Statement;

(E) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement have been duly authorized by the Issuer; nothing has come to the attention of such counsel that would lead them to believe that the information and statements in the Preliminary Official Statement as of its date and the Official Statement, as of its date and as of the date of such opinion, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, no view need be expressed as to the financial statements of the Issuer, any other financial, forecast, technical or statistical data or as to the Excluded Sections of the Preliminary Official Statement and the Official Statement; and

(F) all authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the due performance by the Issuer of its obligations under the Authorizing Ordinance, the Issuer Documents and the Securities have been duly obtained, except for: (1) such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Securities and (2) authorizations, approvals, consents and orders that are required to be obtained or renewed periodically, such as budgets, licenses and permits.

(iv) The opinion of Underwriter's Counsel, addressed to the Underwriter, dated the Closing Date, to the effect that: (A) the Securities are exempt from registration under the Securities Act and the Authorizing Ordinance is exempt from qualification under the Trust Indenture Act and (B) the Continuing Disclosure Undertaking meets the requirements of Rule 15c2-12. In addition, such counsel shall state in its letter containing the foregoing opinion or in a separate letter addressed to the Underwriter that, without having undertaken to determine independently, or to assume responsibility for, the accuracy, completeness or fairness thereof, and based solely on their participation in meetings and telephone conferences at which representatives of the Issuer, Bond Counsel and the Underwriter were at various times present, nothing has come to the attention of such counsel that would lead them to believe that the information and statements in the Preliminary Official Statement as of its date and the Official Statement, as of its date and as of the date of such letter, contained or contain any untrue statement of a material fact or omitted or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, no view need be expressed as to the financial statements of the Issuer, any other financial, forecast, technical or statistical data, and any information in the Preliminary Official Statement and the Official Statement respecting the Bond Insurer and DTC.

(v) A certificate dated the Closing Date of an authorized officer of the Issuer to the effect that:

(A) the representations and warranties of the Issuer contained in this Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date;

(B) the Issuer has complied with all of the agreements and satisfied all of the conditions on its part to be performed or satisfied at or prior to the Closing;

(C) no event affecting the Issuer has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date any statement or information contained in the Preliminary Official Statement or the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein not misleading in any material respect; and

(D) there is no action, suit, proceeding or investigation before or by any court or public board or body pending or threatened against the Issuer to restrain or enjoin the issuance, execution or delivery of the Securities or in any manner questioning the proceedings or authority for the issuance of the Securities or affecting directly or indirectly the validity of the Securities or of any provisions made or authorized for their payment or contesting the existence of the Issuer or the title of any of its officers to their respective offices.

(vi) Written evidence that the rating(s) on the Securities by the applicable rating services, as set forth in Section 0, are in effect as of the Closing Date.

(vii) A certificate of an officer of the Paying Agent, acceptable to the Underwriter, dated the Closing Date, to the effect that the Issuer Documents and other financing or operative documents relating to the Securities to which the Paying Agent is a party have been duly authorized, executed and delivered by the Paying Agent, and the Securities have been authenticated in accordance with the Authorizing Ordinance and the Issuer Documents by a duly authorized officer or signatory of the Paying Agent; and an incumbency certificate of the Paying Agent, in form and content acceptable to the Underwriter and Bond Counsel, dated the Closing Date, with respect to the officers or other signatories of the Paying Agent who have executed, authenticated and delivered the Securities, the Issuer Documents to which the Paying Agent is a party, and all other financing or operative documents relating to the Securities to be signed by the Paying Agent.

(viii) A tax certificate or tax regulatory agreement, executed by a duly authorized officer of the Issuer, in form and substance satisfactory to Bond Counsel, setting forth, among other things, in the manner permitted by the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the reasonable expectations of the Issuer as of the Closing Date as to the use of proceeds of the Securities and of any other funds of the Issuer expected to be used to pay debt service on the Securities and the facts and estimates on which such expectations are based, and stating that, to the best of knowledge and belief of such certifying officer, the expectations set forth therein are reasonable.

(ix) An Information Return for Tax-Exempt Governmental Obligations (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the Issuer.

(x) A copy of the Blanket Letter of Representations to DTC relating to the Securities signed by the Issuer.

(xi) True and complete copies of all opinions, certificates and other documents delivered to the Paying Agent under the Authorizing Ordinance and the Issuer Documents; and such additional legal opinions, certificates, instruments and other documents as the Underwriter or Bond Counsel reasonably may request, in form and substance satisfactory to the Underwriter or Bond Counsel, as the case may be, to evidence (A) compliance by the Issuer with legal requirements reasonably relating to the transactions contemplated by the Official Statement and this Agreement, (B) the truth and completeness, as of the date thereof, of the statements and information contained in the Preliminary Official Statement, (C) the truth and completeness, as of the date thereof and as of the time of the Closing, of the statements and information contained in the Official Statement, (D) the truth and completeness, as of the time of the Closing, of the representations and warranties of the Issuer contained in this Agreement and the certificates and other documents referred to in this Agreement, and (E) the due performance or satisfaction by the Issuer at or prior to the Closing of all agreements then to be satisfied.

14. Issue Price Certificate

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Securities and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, in the such form as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Securities.

(b) Except as otherwise set forth in Schedule II attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Securities (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Warrant Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of the Securities. If at that time the 10% test has not been satisfied as to any maturity of the Securities, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Securities of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Securities of that maturity or (ii) the 10% test has been satisfied as to the Securities of that maturity, provided that the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. For purposes of this Section, if Securities mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

(c) The Underwriter confirms that it has offered the Securities to the public on or before the date of this Warrant Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule II attached hereto, except as otherwise set forth therein. Schedule II also sets forth, as of the date of this Warrant Purchase Agreement, the maturities, if any, of the Securities for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Securities, the Underwriter will neither offer nor sell unsold Securities of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Securities to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) to report the prices at which it sells to the public the unsold Securities of each maturity allotted to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Securities that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Securities to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Securities to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Securities of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Securities of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Securities of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Securities to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Securities to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Securities, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Securities.

(f) The Underwriter acknowledges that sales of any Securities to any person that is a related party to an underwriter participating in the initial sale of the Securities to the public (each such term being used as defined herein) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Securities to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the applicable series of the Securities to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Securities to the public),

(iii) a purchaser of any of the Securities is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Warrant Purchase Agreement by all parties.

(g) Upon request of Bond Counsel, the Underwriter shall execute and deliver on the Closing Date an issue price or similar certificate with respect to the Securities pursuant to this Section, in form and substance reasonably satisfactory to the Issuer, Bond Counsel and the Underwriter.

15. Accountants' Letter

No Accountants' letters will be delivered in connection with the issuance of the Securities.

16. Indemnification and Contribution

(a) The Issuer agrees to indemnify and hold harmless the Underwriter, and each person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Underwriter, and their directors, officers, agents and employees, against any and all losses, claims, damages, liabilities and expenses to which the Underwriter may become subject, insofar as such losses, claims, damages, liabilities or expenses (or actions in respect thereof), arise out of or are based upon (i) a claim in connection with the public offering of the Securities to the effect that the Securities or any related security are required to be registered under the Securities Act or any indenture is required to be qualified under the Trust Indenture Act, or (ii) any statement or information in the Preliminary Official Statement or in the Official Statement that is or is alleged to be untrue or incorrect in any material respect, or any omission or alleged omission of any statement or information in the Preliminary Official Statement or the Official Statement (other than in the Excluded Sections) which is necessary in order to make the statements therein not misleading. The foregoing indemnity agreement shall be in addition to any liability that the Issuer otherwise may have.

(b) The Underwriter will indemnify and hold harmless the Issuer, each of its members, directors, officers and employees, and each person who controls the Issuer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, to the same extent as the foregoing indemnity from the Issuer to the Underwriter, but only with reference to the statements under the caption "Underwriting" in the Preliminary Official Statement and the Official Statement.

(c) In case any claim shall be made or action brought against an indemnified party for which indemnity may be sought against any indemnifying party, as provided above, the indemnified party shall promptly notify the indemnifying party in writing setting forth the particulars of such claim or action; but the omission to so notify the indemnifying party (i) shall not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses and (ii) shall not relieve it from any liability which it may have to any indemnified party except as otherwise stated under paragraph (a) or (b) above. The indemnifying party shall assume the defense thereof, including the retention of counsel acceptable to such indemnified party and the payment of all expenses and shall have the right to negotiate and consent to settlement. An indemnified party shall have the right to retain separate counsel in any such action and to participate in the defense thereof but the fees and expenses of such counsel shall be at the expense of such indemnified party unless the employment of such counsel has been specifically authorized by the indemnifying party or the indemnifying party shall not have employed counsel reasonably acceptable to the indemnified party to have charge of the defense of such action or proceeding or the indemnified party shall have reasonably concluded that there may be defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to direct the defense of such action or proceeding on behalf of the indemnified party), in any of which events, such legal or other expenses shall be borne by the indemnifying party. No party shall be liable for any settlement of any action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any action with or without written consent of the indemnifying party, the indemnifying party agrees to indemnify and hold harmless the indemnified parties to the extent of the indemnities set forth above from and against any loss or liability by reason of such settlement or judgment. Any such settlement must include an unconditional release of each indemnified party from all liability arising out of such action.

(d) If the indemnification provided for above is unenforceable, or is unavailable to an indemnified party in respect of any losses, claims, damages or liabilities (or actions in respect thereof) of the type subject to indemnification herein, then the indemnifying party shall, in lieu of indemnifying such person, contribute to the amount paid or payable by such person as a result of such losses, claims, damages, or liabilities (or actions in respect thereof). In the case of the Issuer and the Underwriter, contribution shall be in such proportion as is appropriate to reflect the relative benefits received by the Issuer, on the one hand, and the Underwriter, on the other, from the sale of the Securities. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then the indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Issuer, on the one hand, and the Underwriter, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or action in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Issuer on the one hand and the Underwriter on the other shall be deemed to be in the same proportion as the total net proceeds of sale of the Securities paid to the Issuer pursuant to this Agreement (before deducting expenses) bear to the underwriting discount or commission received by the Underwriter. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer or the Underwriter and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Issuer and the Underwriter agree that it would not be just and equitable if contribution pursuant to this paragraph were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this paragraph. The amount paid or payable by any person as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above shall be deemed to include any legal or other expenses reasonably incurred by such person in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this paragraph, however, the Underwriter shall not be required to contribute an amount in excess of the amount of the underwriting discount or commission applicable to the purchase of the Securities. No person guilty of fraudulent misrepresentation (within the meaning of Section 10(b) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

17. Termination

The Underwriter shall have the right to cancel its obligation to purchase the Securities and to terminate this Agreement by written notice to the Issuer if, between the Effective Date to and including the Closing Date, in the Underwriter's sole and reasonable judgment any of the following events shall occur (each a "Termination Event"):

(a) the market price or marketability of the Securities, or the ability of the Underwriter to enforce contracts for the sale of the Securities, shall be materially adversely affected by any of the following events:

(i) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation, release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Securities; or

(ii) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere; or

(iii) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(iv) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Securities, the Authorizing Ordinance or the Issuer Documents, or any comparable securities of the Issuer, are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or

(v) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Issuer shall have occurred; or

(vi) any rating on either (1) securities of the Issuer which are secured by a pledge of its full faith and credit or (2) the Bond Insurer is reduced or withdrawn or placed on credit watch with negative outlook by any major credit rating agency (including any rating to be accorded the Securities); or

(b) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Securities or the ability of the Underwriter to enforce contracts for the sale of the Securities; or

(c) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(d) a material disruption in securities settlement, payment or clearance services affecting the Securities shall have occurred; or

(e) any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, underwriters shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(f) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Securities, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Securities, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Agreement by the Underwriter, all obligations of the Issuer and the Underwriter under this Agreement shall terminate, without further liability, except that the Issuer and the Underwriter shall pay their respective expenses as set forth in Section 18.

18. Payment of Expenses

(a) The Underwriter shall be under no obligation to pay, and the Issuer shall pay from available funds or direct the Paying Agent under the Authorizing Ordinance and the Issuer Documents to pay from the proceeds of the Securities (to the extent permitted under applicable law) or from other funds of the Issuer, all expenses that are incidental to the performance of the Issuer's obligations under this Agreement, including but not limited to: all expenses in connection with the printing of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; all expenses in connection with the printing, issuance and delivery of the Securities; the fees and expenses of Bond Counsel, Issuer's Counsel and Underwriter's Counsel; the fees of the Bond Insurer and the fees and expenses of its counsel, if any; the fees and expenses of the Issuer's financial advisors, accountants, any verification consultant and all other consultants; the fees and disbursements of any Paying Agent and any escrow agent, and their respective counsel; all expenses in connection with obtaining a rating or ratings for the Securities; all expenses of the Issuer in connection with the preparation, printing, execution and delivery, and any recording or filing, of the Authorizing Ordinance, any Issuer Document or any other instrument; the Issuer's administrative fees; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale and distribution of the Securities. Unless the Issuer and the Underwriter otherwise agree, the Issuer shall pay for all incidental costs (including, but not limited to, transportation, lodging, meals and entertainment of Issuer personnel) incurred by or on behalf of the Issuer in connection with the marketing, issuance and delivery of the Securities.

(b) The Underwriter shall pay the costs of qualifying the Securities for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Securities and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Securities.

19. Notices

Any notice or other communication to be given to the Issuer under this Agreement may be given by certified mail or by delivering the same in writing to the Issuer at the following address:

City of Daphne
1705 Main Street
Daphne, Alabama 36526
Attention: Mayor

and any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to the Underwriter, at the following address:

Piper Sandler & Co.
2100 Southbridge Parkway, Suite 650
Birmingham, Alabama 35209
Attention: Walter Lewis

or to such other addresses as one party shall furnish the other in writing for receipt of notice.

20. Governing Law

This Agreement shall be governed by the laws of the State of Alabama.

21. Miscellaneous

This Agreement is made solely for the benefit of the signatories hereto (including the Underwriter and its successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. Neither the Issuer nor the Underwriter may assign this Agreement. The term "successor" shall not include any holder of any Securities merely by virtue of such holding. All representations, warranties, agreements and indemnities contained in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of and payment for the Securities and any termination of this Agreement. Section headings have been included in this Agreement as a matter of convenience of reference only and are not to be used in the interpretation of any provisions of this Agreement. If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

22. Counterparts

This Agreement may be executed in one or more counterparts with the same force and effect as if all signatures appeared on a single instrument.

23. Signatures

Upon execution by the Issuer and the Underwriter, this Agreement shall be binding upon the Issuer and the Underwriter as of the Effective Date and Time.

ACCEPTED AND AGREED:

ISSUER:

CITY OF DAPHNE

By:____

Name:______________________________________

Title:_______________________________________

PIPER SANDLER & CO.

By:____

Name:______________________________________

Title:_______________________________________

Schedule I
<u>TERMS OF THE SECURITIES</u>

Maturity Date	Principal Amount	Interest Rate	Yield	Price	CUSIP

____
*Calculated to first call date:

Mandatory Sinking Fund Schedule:

Securities maturing on ___________:

Date (_______1)	Principal Amount

Optional Redemption:

Those of the Securities having stated maturities after____________, will be subject to redemption, at the option of the Issuer, as a whole or in part, and, if in part, in such maturities as the Issuer shall specify, on _______, and on any date thereafter, at a redemption price for each Security (or portion thereof) called for redemption equal to the principal amount thereof plus accrued interest to the date fixed for redemption.

SCHEDULE II

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

General Rule Maturities

Maturity Date	Principal Amount	Interest Rate	Yield	Price	CUSIP

*Computed to first optional redemption date:

Hold-the-Offering-Price Maturities

Maturity Date	Principal Amount	Interest Rate	Yield	Price	CUSIP

*Computed to first optional redemption date:

SCHEDULE I

DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of ___________________, 2023, is executed and delivered by the City of Daphne, Alabama (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Warrants (hereinafter defined) and in order to assist the Issuer in processing certain continuing disclosure with respect to the Warants in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a "Municipal Advisor" as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended, and related rules.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f) hereof, by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Annual Report" means an Annual Report containing Annual Financial Information described in and consistent with Section 3 of this Disclosure Agreement.

"Audited Financial Statements" means the annual financial statements of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Warants and the 9-digit CUSIP numbers for all Warants to which the document applies.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Disclosure Representative" means the Finance Director of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Financial Obligation" as used in this Disclosure Agreement is defined in the Rule, as may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Warants (including persons holding Warants through nominees, depositories or other intermediaries) or (b) treated as the owner of any Warants for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Warants (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

"Official Statement" means that Official Statement prepared by the Issuer in connection with the Warants, as listed in Exhibit A.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(10) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

"Warants" means the warrants as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than 270 days following the end of each fiscal year of the Issuer, commencing with the fiscal year ending September 30, 2023. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 10:00 a.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) hereof with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"

2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"

4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Warants, or other material events affecting the tax status of the Warants;

7. “Modifications to rights of securities holders, if material;”

8. Bond calls, if material, and tender offers;

9. “Defeasances;”

10. “Release, substitution, or sale of property securing repayment of the securities, if material;”

11. “Rating changes;”

12. “Bankruptcy, insolvency, receivership or similar event of the obligated person;”

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”

15. “Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;” and

16. “Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”

2. “change in obligated person;”

3. “notice to investors pursuant to bond documents;”

4. “certain communications from the Internal Revenue Service;”other than those communications included in the Rule;

5. “secondary market purchases;”

6. “bid for auction rate or other securities;”

7. “capital or other financing plan;”

8. “litigation/enforcement action;”

9. “change of tender agent, remarketing agent, or other on-going party;” and

10. “other event-based disclosures.”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”

2. “change in fiscal year/timing of annual disclosure;”

3. “change in accounting standard;”

4. “interim/additional financial information/operating data;”

5. “budget;”

6. “investment/debt/financial policy;”

7. “information provided to rating agency, credit/liquidity provider or other third party;”

8. “consultant reports;” and

9. “other financial/operating data.”

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 10:00 a.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the financial and statistical information provided in the Official Statement under the headings: "CITY DEBT – General Obligation Indebtedness","CITY DEBT – Debt Service Requirements ", "CITY DEBT – Constitutional Debt Limit ", "CITY REVENUES - Summary of Primary Sources of Revenues and Expenditures", "CITY REVENUES – Sales Taxes", "CITY REVENUES – Business License Fee ", "CITY REVENUES – Property Taxes – *Assessed Value of Taxable Property*", "CITY REVENUES – Payments in Lieu of Taxes", "CITY REVENUES – Lodging Taxes", "CITY REVENUES – Other Taxes", "APPENDIX A – Other Post-Employment Benefits" and "APPENDIX A – Top Ten Taxpayers of the City".

(c) Audited Financial Statements as described in the Official Statement will be included in the Annual Report. If audited financial statements are not available, then unaudited financial statements, prepared in accordance with **Generally Accepted Accounting Principles** as described in the Official Statement will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

The Issuer will reserve the right to modify from time to time the specific type of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer will agree that any such modification will be done in a manner consistent with the Rule.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Warants constitutes a Notice Event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Warants, or other material events affecting the tax status of the Warants;

7. Modifications to rights of Bond holders, if material;

8. Bond calls, if material, and tender offers;

9. Defeasances;

10. Release, substitution, or sale of property securing repayment of the Warants, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

    Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the

Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The Issuer shall, in a timely manner not later than nine (9) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that either (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. The Issuer will provide the Dissemination Agent with the CUSIP numbers for (i) new warrants at such time as they are issued or become subject to the Rule and (ii) any Warants to which new CUSIP numbers are assigned in substitution for the CUSIP numbers previously assigned to such Warants.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) hereof to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice may be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Warants upon the legal defeasance, prior redemption or payment in full of all of the Warrants, when the Issuer is no longer an obligated person with respect to the Warants, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Warants. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable to the Disclosure Dissemination Agent until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Warants or under any other document relating to the Warants, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Warants or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Warants.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Warants and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer of the Warants, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Warants, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By:______________________________________
Name:____________________________________
Title:_____________________________________

CITY OF DAPHNE, ALABAMA,
as Issuer

By:______________________________________
Name:____________________________________
Title:_____________________________________

EXHIBIT A

NAME AND CUSIP NUMBERS OF WARANTS

Name of Issuer	City of Daphne, Alabama
Obligated Person(s)	City of Dpahne, Alabama
Name of Bond Issue:	General Obligation Warrants, Series 2023-A
Date of Issuance:	**[A4]**________________________
Date of Official Statement	**[A5]**________________________

CUSIP Number:	**[A6]**___________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
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CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________
CUSIP Number:	________________________	CUSIP Number:	________________________

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer:	City of Daphne, Alabama
Obligated Person:	City of Daphne, Alabama
Name(s) of Bond Issue(s):	General Obligation Warrants, Series 2023-A
Date(s) of Issuance:	**[B4]**________________________
Date(s) of Disclosure Agreement:	**[B5]**__________________________
CUSIP Number:	**[B6]**__________________________

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Warants as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. [The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by **[B7]**______________].

Dated: **[B8]**_____________________________

Digital Assurance Certification, L.L.C., as
Disclosure Dissemination Agent, on behalf of the
Issuer

____

cc: **[B9]**
[B10]

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" may be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

City of Daphne, Alabama

Issuer's Six-Digit CUSIP Number:

[C2] ____

____

or Nine-Digit CUSIP Number(s) of the warrants to which this event notice relates:

[C3] ____

Number of pages attached: **[C4]**_____

____ Description of Notice Events (Check One): **[C5]**

1.______"Principal and interest payment delinquencies;"
2.______"Non-Payment related defaults, if material;"
3.______"Unscheduled draws on debt service reserves reflecting financial difficulties;"
4.______"Unscheduled draws on credit enhancements reflecting financial difficulties;"
5.______"Substitution of credit or liquidity providers, or their failure to perform;"
6.______"Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7.______"Modifications to rights of securities holders, if material;"
8.______"Bond calls, if material;" Tender offers;
9.______"Defeasances;"
10._____"Release, substitution, or sale of property securing repayment of the securities, if material;"
11._____"Rating changes;"
12._____"Bankruptcy, insolvency, receivership or similar event of the obligated person;"
13._____"Merger, consolidation, or acquisition of the obligated person, if material;"
14._____"Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
15._____"Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material;" and
16._____"Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required. **[C6]**

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

____

Name: **[C7]**________________________________Title: **[C8]**________________________________

Digital Assurance Certification, L.L.C.
315 E. Robinson Street, Suite 300
Orlando, FL 32801
407-515-1100

Date: **[C9]**

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of **[C10]** _____ between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

City of Daphne, Alabama

Issuer's Six-Digit CUSIP Number:

[C2] ____

____

or Nine-Digit CUSIP Number(s) of the Warants to which this notice relates:

[C3] ____

Number of pages attached: **[C4]**_____

____ Description of Voluntary Event Disclosure (Check One): **[C11]**

1.______"amendment to continuing disclosure undertaking;"
2.______"change in obligated person;"
3.______"notice to investors pursuant to bond documents;"
4.______"certain communications from the Internal Revenue Service;"
5.______"secondary market purchases;"
6.______"bid for auction rate or other securities;"
7.______"capital or other financing plan;"
8.______"litigation/enforcement action;"
9.______"change of tender agent, remarketing agent, or other on-going party; and"
10._____"other event-based disclosures."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

____

Name: **[C7]**_________________________________Title: **[C8]**____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: **[C9]**

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" may be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of **[C9]** _____ between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

City of Daphne, Alabama

Issuer's Six-Digit CUSIP Number:

[C2] ____

____

or Nine-Digit CUSIP Number(s) of the Warants to which this notice relates:

[C3] ____

Number of pages attached: **[C4]**_____

____ Description of Voluntary Financial Disclosure (Check One): **[C12]**

1.______"quarterly/monthly financial information;"
2.______"change in fiscal year/timing of annual disclosure;"
3.______"change in accounting standard;"
4.______"interim/additional financial information/operating data;"
5.______"budget;"
6.______"investment/debt/financial policy;"
7.______"information provided to rating agency, credit/liquidity provider or other third party;"
8.______"consultant reports;" and
9.______"other financial/operating data."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

____

Name: **[C7]**________________________________Title: **[C8]**____

Digital Assurance Certification, L.L.C.
315 E. Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: **[C9]**

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor any offers to buy be accepted prior to the time that the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

NEW ISSUE-BOOK ENTRY ONLY

Rating: Standard & Poor's: ___
(_______Outlook)
(See "RATING" herein)

In the opinion of Bond Counsel, subject to the limitations set forth herein, under existing law and assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Warrants is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; however, for tax years beginning after December 31, 2022, interest on the Warrants is included in the "adjusted financial statement income" of certain corporations that are subject to the federal alternative minimum tax. In the opinion of Bond Counsel, under existing law, interest on the Warrants is exempt from income taxation imposed by the State of Alabama. See "TAX MATTERS" herein.

$8,780,000*
CITY OF DAPHNE, ALABAMA
GENERAL OBLIGATION WARRANTS,
SERIES 2023-A

Dated: Date of Issuance

Due: As shown on the inside cover

The Warrants will bear interest from their date of delivery at the rates shown on the inside front cover hereof, first payable on January 1, 2024 and on each January 1 and July 1 thereafter until maturity. The Warrants when issued will be issued in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Warrants. Purchases of beneficial interest in the Warrants will be made in book-entry form, in denominations of $5,000 or any integral multiple thereof. Except as herein described, purchasers will not receive certificates representing their beneficial interests in the Warrants. So long as DTC or its nominee, Cede & Co. is the registered owner of the Warrants, payments of principal and interest will be made directly to DTC or to such nominee. Disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the beneficial owners is the responsibility of Direct Participants and Indirect Participants of DTC, all as more fully described herein.

The Warrants are general obligations of the City for the payment of which the full faith and credit of the City are irrevocably pledged.

The Warrants are subject to redemption prior to maturity as more fully described herein.

See inside front cover for information on maturities, principal amounts, interest rates, yields, prices and CUSIPS.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to an informed investment decision.

The Warrants are offered when, as and if issued by the City of Daphne, Alabama, subject to the approving opinion of Balch & Bingham LLP, Birmingham, Alabama, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by its counsel, Adams & Reese LLP, Mobile, Alabama. Certain legal matters will be passed upon for the Underwriter by its counsel, Ezell Law, LLC, Birmingham, Alabama. It is expected that the Warrants in definitive form will be available for delivery through DTC in New York, New York on or about September __, 2023.

PIPER | SANDLER

September __, 2023.

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* Preliminary; subject to change.

$8,780,000*
CITY OF DAPHNE, ALABAMA
General Obligation Warrants
Series 2023-A

Serial Warrants

Maturity (July 1)	Principal Amount*	Interest Rate	Price	Yield	Initial CUSIP
2024	$220,000				
2025	290,000				
2026	305,000				
2027	320,000				
2028	335,000				
2029	350,000				
2030	370,000				
2031	385,000				
2032	405,000				
2033	425,000				

Term Warrants

$2,425,000* ___% Term Warrants maturing July 1, 2038; Price: _____; Yield: ______; Initial CUSIP: ________

$2,950,000* ___% Term Warrants maturing July 1, 2043; Price: _____; Yield: ______; Initial CUSIP: ________

All warrants priced to produce the yield indicated.

* Preliminary; subject to change.

CITY OF DAPHNE, ALABAMA

Mayor

Robin LeJeune

City Council Members

Angie Phillips, Council President, District 7
Steve Olen, Pro Tem, District 2
Tommie Conaway, District 1
Joel Coleman, District 3
Doug Goodlin, District 4
Ron Scott, District 5
Benjamin Hughes, District 6

City Clerk

Candace Antinarella

Finance Director

Kelli Kichler Reid

Counsel to the City

Adams & Reese LLP
Mobile, Alabama

Bond Counsel

Balch & Bingham LLP
Birmingham, Alabama

Underwriter

Piper Sandler & Co.
Birmingham, Alabama

Underwriter's Counsel

Ezell Law, LLC
Birmingham, Alabama

NO DEALER, BROKER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED BY THE CITY OR THE UNDERWRITER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS WITH RESPECT TO THE CITY OR ITS WARRANTS, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY ANY OF THE FOREGOING. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE EITHER AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF, THE WARRANTS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE CITY AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE, BUT SUCH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION, BY THE UNDERWRITER.

THE UNDERWRITER HAS PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS A PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

The Warrants have not been registered under the Securities Act of 1933, as amended, or any state securities laws, and neither the Securities and Exchange Commission nor any state regulatory agency will pass upon the accuracy, completeness or adequacy of this Official Statement.

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Warrants.

All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. Any statements made in this Official Statement involving estimates or matters of opinion, whether or not expressly so stated, are intended merely as estimates or opinions and not as representations of fact.

The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall under any circumstances create an implication that there has been no change in the affairs of the City since the date hereof. The delivery of this Official Statement does not imply that the information contained herein is correct on any date subsequent to the date of this Official Statement.

IN CONNECTION WITH THE OFFERING OF THE WARRANTS, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE WARRANTS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE CITY HAS NO CONTROL OVER THE TRADING OF THE WARRANTS AFTER THEIR SALE BY THE CITY.

Information regarding reoffering yields or prices included in this Official Statement is the responsibility of the Underwriter.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "believe," "expect," "estimate," "anticipate," "intend," "projected," "budget," "could," or other similar words. Additionally, all statements in this Official Statement, including forward-looking statements, speak only as of the date they are made, and the City and the Underwriter disclaim any obligation to update any of the forward-looking statements contained herein to reflect future events or developments.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including students, customers, suppliers, partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. The City and the Underwriter disclaim any obligation to update any such factors or to publicly announce the results of any revision to any of the forward-looking statements contained herein to reflect future events or developments.

TABLE OF CONTENTS

OFFICIAL STATEMENT

Regarding

$8,780,000*
CITY OF DAPHNE, ALABAMA
GENERAL OBLIGATION WARRANTS
SERIES 2023-A

INTRODUCTION

This Official Statement is being furnished in connection with the sale and issuance by the City of Daphne, Alabama (the "***City***") of its General Obligation Warrants, Series 2023-A (the "**Warrants**") in the aggregate principal amount of $8,780,000*. The City is a municipal corporation organized and existing under the Constitution and laws of the State of Alabama. The Warrants will be issued pursuant to the Constitution and laws of the State of Alabama and an ordinance (the "***Warrant Ordinance***") adopted by the governing body of the City (the "***City Council***"). The Warrant Ordinance will constitute a contract with the holders of the Warrants.

The information contained in this Official Statement does not purport to be comprehensive or definitive. All references herein to, or summaries of, the Warrant Ordinance or any contract, indenture, ordinance, resolution or other document or official act related to the Warrants are qualified in their entirety by the exact terms of such documents or official acts which are items of public record available from the City. All references herein to, or summaries of, the Warrants are qualified in their entirety by the definitive form thereof and the information with respect thereto included in the Warrant Ordinance.

PURPOSES OF THE WARRANTS

The City has determined to issue the Warrants for the purposes of (i) paying a portion of the cost of renovating and expanding the City Justice Center and the construction of a new City animal shelter (collectively, the "Project"); and (ii) paying the expenses of issuing the Warrants.

Estimated Sources and Use of Proceeds

The estimated sources and uses of funds for this financing are as follows:

Sources of Funds:	
Par Amount	
Plus Net Original Issue Premium	
Total	$
Uses of Funds:	
Capital Improvements	$
Issuance Expenses (including underwriting discount)	
Total	$

* Preliminary; subject to change.

THE WARRANTS

Description of the Warrants

The Warrants will be fully registered warrants issued initially in the denomination of $5,000 or any integral multiple thereof and subject to exchange as hereinafter provided. The Warrants will be dated the date of their initial issuance and delivery, will bear interest payable semiannually on each January 1 and July 1, commencing January 1, 2024, at the rates set forth on the inside cover hereof, and will mature on the dates and in the principal amounts set forth on the inside cover hereof. So long as the Warrants are in book-entry-only form, payments will be made as described below in "Book-Entry System."

The principal of and the premium, if any, on the Warrants will be payable, with par clearance guaranteed, at the designated corporate trust office of Regions Bank in Birmingham, Alabama, the registrar, transfer agent and paying agent for the Warrants (said bank acting in such capacity, together with any successor thereto, being herein called the "Registrar" or "Paying Agent"). The interest payable on the Warrants on each interest payment date will be paid by check or draft mailed by the Registrar to the registered holders thereof on such interest payment date. If any interest payment date shall fall on a Saturday, Sunday or legal holiday on which the Registrar is not open for business, such payment shall be made on the next following business day.

The Warrant Ordinance makes special provision for payment of overdue interest which may be paid to a holder other than the registered holder of a Warrant at the time such overdue interest becomes due and payable.

Book-Entry System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Warrants. The Warrants will be issued as fully-registered warrants in the name of Cede & Co., (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Warrant certificate will be issued for each maturity of the Warrants and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks and trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Warrants under the DTC system must be made by and through Direct Participants, which will receive a credit for the Warrants on DTC's records. The ownership interest of each actual purchaser of each Warrant ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of their transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owners entered into the transaction. Transfers of ownership interests in the Warrants are to be accomplished by entries made on the books of DTC Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Warrants, except in the event that the use of the book-entry system for the Warrants is discontinued.

To facilitate subsequent transfers, all Warrants deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Warrants with DTC and their registration in the name of Cede & Co. or such other nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Warrants; DTC's records reflect only the identity of the Direct Participants to whose accounts such Warrants are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Warrants may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Warrants, such as redemptions, defaults, and proposed amendments to the Warrant documents. For example, Beneficial Owners of Warrants may wish to ascertain that the nominee holding the Warrants for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Warrants of a maturity are being redeemed, DTC's practice is to determine by lot the amount of the beneficial interest of each Direct Participant in such Warrants to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to Warrants unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Warrants are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and premium, if any, and interest payments on the Warrants will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detailed information from the City or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee), the City or the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City and Paying Agent; disbursement of such payments to Direct Participants is the responsibility of DTC; and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

THE CITY AND THE PAYING AGENT WILL HAVE NO RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS, OR TO THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE WARRANTS, OR TO ANY BENEFICIAL OWNER IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OR REDEMPTION PRICE OF OR INTEREST ON THE WARRANTS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO WARRANTHOLDERS UNDER THE WARRANT ORDINANCE, THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE WARRANTS, OR ANY OTHER ACTION TAKEN BY DTC AS REGISTERED WARRANTHOLDER.

DTC may discontinue providing its services as securities depository with respect to the Warrants at any time by giving reasonable notice to the City or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, warrant certificates are required to be printed and delivered. In addition, the City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, warrant certificates will be printed and delivered as described below.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources (including DTC) that the City believes to be reliable, but the City and the Underwriter take no responsibility for the accuracy thereof.

Discontinuation of Book-Entry System

In the event the book-entry system is discontinued, Warrant certificates in fully registered form would be delivered to, and registered in the names of, the Direct Participants, or such other persons as such Direct Participants may specify (which may be the Indirect Participants or Beneficial Owners), in denominations of $5,000 or any integral multiple thereof. The ownership of the Warrants so delivered (and any Warrants thereafter delivered upon a transfer or exchange described below) would be registered in the registration books to be kept by the Paying Agent as the Warrant Registrar for the City. Except as provided in the Warrant Ordinance, the City and the Paying Agent are entitled to treat the registered owners of such Warrants, as their names appear in such registration books as of the appropriate dates, as the owners thereof for all purposes described herein and in the Warrant Ordinances. See "THE WARRANTS – Certain Provisions Respecting Registration and Transfer" below.

Certain Provisions Respecting Registration and Transfer of the Warrants

The Warrants shall be registered as to both principal and interest and may be transferred only on the registry books of the Paying Agent pertaining to the Warrants. No transfer of the Warrants shall be permitted except upon presentation and surrender of such Warrant at the office of the Paying Agent with written power to transfer signed by the registered owner thereof in person or by a duly authorized attorney in form and with guaranty of signature satisfactory to the Paying Agent. The Paying Agent will not be required (i) to transfer any Warrant during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Warrants and ending at the close of business on the day of such mailing, (ii) to transfer any Warrant so selected for redemption in whole or in part, or (iii) to exchange any Warrant during a period beginning at the opening of business on any regular record date and ending at the close of business on the relevant interest payment date therefor.

The holder of one or more of the Warrants may, upon request, and upon the surrender to the Paying Agent of such Warrant, exchange such Warrant for Warrants of other authorized denominations of the same series, maturity and interest rate and together aggregating the same principal amount as the Warrant so surrendered. Any registration, transfer and exchange of Warrants shall be without expense to the holder thereof, except that the holder shall pay all taxes and other governmental charges, if any, required to be paid in connection with such transfer, registration or exchange.

The Warrant Ordinance provides that the Warrants may be transferred only in accordance with the provisions of the Warrant Ordinance. The Warrant Ordinance also provides that each transferee of the Warrants takes them subject to all principal and interest payments in fact made with respect to the Warrants.

No transfer of any Warrant will be valid except upon presentation and surrender of such Warrant at the principal corporate trust office of the Registrar with written power to transfer signed by the registered owner in person or by duly authorized attorney. Upon the proper transfer of any Warrant, the City will execute a new Warrant, and the Registrar will deliver to the transferee such new Warrant registered in the name of such transferee.

Any holder of one or more of the Warrants may, upon the surrender thereof to the Registrar, exchange such Warrant or Warrants for other Warrants, in the denomination of $5,000 or any integral multiple thereof, of the same maturity and interest rate and together aggregating the same principal amount as the Warrant or Warrants so surrendered.

If (i) any mutilated Warrant is surrendered to the Paying Agent, or the City and the Paying Agent receive evidence to their satisfaction of the destruction, loss or theft of any Warrant, and (ii) there is delivered to the City and the Paying Agent such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the City or the Paying Agent that such Warrant has been acquired by a bona fide purchaser, the City shall execute and upon its request the Paying Agent shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Warrant, a new Warrant, of like tenor and principal amount, bearing a number not contemporaneously outstanding. Upon the issuance of any new Warrant for any such mutilated, destroyed, lost or stolen Warrant, the City may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith. Every new Warrant so issued in lieu of any destroyed, lost or stolen Warrant shall constitute an original additional contractual obligation of the City, whether or not the destroyed, lost or stolen Warrant shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of the Warrant ordinance equally and ratably with all other outstanding Warrants.

Authority for Issuance

The Warrants are issued by the City under authority of the Constitution and laws of the State of Alabama, including particularly Section 11-47-2 of the Code of Alabama (1975), as amended, and pursuant to authorization contained in the Warrant Ordinance.

Redemption Prior to Maturity

The Warrants are subject to redemption prior to their maturity as provided below.

Optional Redemption. Warrants maturing on July 1, 20__, or on any date thereafter will be subject to prior redemption at the option of the City, as a whole or in part in integral multiples of $5,000, on ________ 1, 20__, or on any date thereafter, in such order, amounts of maturity or maturities and interest rate or rates (if applicable) as the City may determine and by lot within a maturity (or within a maturity and interest rate if Warrants of a particular maturity bear interest at more than one interest rate), at and for a redemption price for each warrant (or portion thereof) redeemed equal to 100% of the principal amount redeemed, plus accrued and unpaid interest to the redemption date.

[*Mandatory Redemption*. The Warrants maturing on July 1, 20__ (the "Term Warrants") are subject to mandatory redemption, by lot, at a redemption price equal to 100% of the principal amount thereof to be redeemed plus accrued interest to the redemption date, on July 1 in the years and amounts (after credits as provided below) as follows:

Year	Amount
20__	
20__	
20__ (final maturity)	

Not less than 30 days prior to each mandatory redemption date with respect to the Term Warrants, the Paying Agent shall proceed to select for redemption, by lot, Term Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such Term Warrants or portions thereof for redemption on such mandatory redemption date. The City may, not less than 45 days prior to any such mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of the Term Warrants scheduled for redemption on such date: (i) the principal amount of the Term Warrants delivered by the City to the Paying Agent for cancellation and not previously claimed as a credit; and (ii) the principal amount of the Term Warrants previously redeemed (other than Term Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit and (iii) the principal amount of Term Warrants otherwise defeased pursuant to terms of the Warrant Ordinance and not previously claimed as a credit.]

Other Matters Related to Redemption Prior to Maturity. Any redemption shall be made upon not more than 60 nor less than 30 days' notice. Upon the giving of proper notice of redemption, the Warrants so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Warrants shall cease to bear interest. Upon surrender of any such Warrant for redemption in accordance with said notice such Warrant shall be paid by the City at the redemption price. Installments of interest due prior to the redemption date shall be payable to the holders of the Warrants registered as such on the relevant record dates according to the terms of such Warrants and the provisions of the Warrant Ordinance.

Any notice of optional redemption may state that the redemption of Warrants is contingent upon specified conditions, such as receipt of a specified source of funds, or the occurrence of specified events. If the conditions for such redemption are not met, the City shall not be required to redeem the Warrants (or portions thereof) identified in such notice, and any Warrants surrendered on the specified redemption date shall be returned to the holders of such Warrants.

Except in the case of mandatory redemption of the Term Warrants, if less than all Warrants outstanding are to be redeemed, the particular Warrants to be redeemed may be specified by the City by written notice to the Paying Agent, or, in the absence of timely receipt by the Paying Agent of such notice, shall be selected by the Paying Agent by lot or by such other method as the Paying Agent shall deem fair and appropriate; provided, however, that (i) the principal amount of Warrants of each maturity (and interest rate, if Warrants of such maturity bear interest at more than one interest rate) to be redeemed must be a multiple of the smallest authorized denomination of Warrants, and (ii) if less than all Warrants with the same stated maturity and interest rate are to be redeemed, the Warrants of such maturity and interest rate to be redeemed shall be selected by lot by the Paying Agent.

Upon any partial redemption of any Warrant, the same shall, except as otherwise permitted by the Warrant Ordinance, be surrendered in exchange for one or more new Warrants of the same maturity and interest rate and in authorized form for the unredeemed portion of principal.

Any Warrant (or portion thereof) that is to be redeemed must be surrendered to the Paying Agent for payment of the redemption price. Warrants (or portions thereof) duly called for redemption will cease to bear interest after the redemption date, unless the City defaults in payment of the redemption price.

SECURITY

The Warrants will be general obligations of the City for the payment of which the full faith and credit of the City will be irrevocably pledged.

Revenues of the City legally available for payment of the principal of and the interest and premium (if any) on the Warrants will include ad valorem taxes, gross receipts taxes, privilege license taxes and other taxes, and other general revenues of the City. None of the legally available revenues are, however, specially pledged for payment of debt service on the Warrants. Information describing taxes collected by the City and other revenues of the City is provided in this Official Statement. See "THE FEDERAL BANKRUPTCY ACT" and "RISK FACTORS" herein.

THE FEDERAL BANKRUPTCY ACT

Chapter 9 of Title 11 of the United States Code (the "Bankruptcy Act") permits, under certain specified circumstances (but only after authorization by the legislature or by a governmental officer or organization empowered by state law to give such authorization), a political subdivision of a state – such as the City – to file a petition for relief in the federal bankruptcy court if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts. Current Alabama law authorizes the City to file a petition under Chapter 9 of the Bankruptcy Act. The rights and remedies of the holders of the Warrants may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, including the Bankruptcy Act, and the exercise of judicial discretion in appropriate cases.

Bankruptcy proceedings by the City could have significant adverse effects on the holders of the Warrants, including (a) delay in the enforcement of their remedies, (b) subordination of their claims to the claims of those supplying goods and services to the City after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings or to other claims of creditors of the City, (c) avoidance of liens or preferential transfers, and (d) imposition without their consent of a plan for the adjustment of the City's debts that may modify the rights of creditors generally, including the rights of the owners of the Warrants. The Bankruptcy Code permits the use of a plan for the adjustment of debts of a political subdivision which is binding upon all creditors who had notice or knowledge of the plan and which discharges all claims against such political subdivision provided for in the plan, subject to certain requirements and conditions. The effect of these and other provisions of the Bankruptcy Code cannot be predicted with any certainty and may be significantly affected by judicial interpretation or future action of the Congress of the United States or the Alabama Legislature.

RISK FACTORS

An investment in the Warrants involves certain risks which must be carefully considered and evaluated by investors. In making a decision whether to purchase the Warrants, potential investors should consider certain risks and investment considerations which could affect the ability of the City to pay debt service on the Warrants in a timely manner and which could affect the marketability of or the market price for the Warrants. These risks and investment considerations are discussed throughout this Official Statement. Certain of these risks and investment considerations are set forth in this section for convenience, but this discussion is not intended to be a comprehensive or exhaustive compilation of all possible risks and investment considerations nor a substitute for an independent evaluation of the information presented in this Official Statement. Each prospective purchaser of Warrants should read this Official Statement in its entirety, including the appendices hereto, and should consult such prospective purchaser's own investment and/or legal advisor for a more complete explanation of the matters that should be considered when evaluating an investment such as the Warrants. Each prospective purchaser should carefully examine his, her or its own financial condition in order to make a judgment as to his, her or its ability to bear the risk of an investment in the Warrants and whether or not the Warrants are an appropriate investment for them.

The sufficiency of general fund moneys to pay debt service on the Warrants may be affected by events and conditions relating generally to, among other things, the assessed value of taxable property in the City, the value of retail sales in the City, and population trends and economic developments, the exact nature and extent of which are not presently determinable.

Limitations on Rights of Holders of the Warrants/Limitations on City Revenue Increases

The remedies available to warrantholders upon the occurrence of a default are in many respects dependent upon judicial actions, which are often subject to substantial discretion and delay. Holders of the Warrants should be aware that their rights and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and the exercise of judicial discretion in appropriate cases, including the law-imposed requirement that the City may first use its taxes and other revenues to pay the expenses of providing necessary governmental services before paying debt service on the Warrants. See "THE FEDERAL BANKRUPTCY ACT."

Holders of the Warrants also should be aware that, under present law, the rates at which Alabama property taxes are levied may be increased only after approval by the legislature and a majority vote of the qualified electors of the affected jurisdiction, and that, under applicable judicial precedents, neither Alabama general sales and use taxes nor Alabama business license taxes may be levied at rates that are confiscatory or unreasonable.

Hurricanes and Other Severe Weather

The Gulf Coast region is subject to occurrences of severe weather, including hurricanes, in which winds and tidal surges are powerful enough to cause severe destruction. The City, which is located in a coastal area, is particularly susceptible to such storms and their effects. While the City's property and equipment is insured against damage from such weather hazards in amounts the City's management believes to be reasonable, the City is not insured against risks like business interruption or loss of taxes and other revenues that could result from such weather hazards. There can be no assurance that the City has provided adequate financial reserve funds against such uninsured risks.

Public Health Emergencies

Although the most significant impacts of coronavirus and the disease it causes named "coronavirus disease 2019" (abbreviated "COVID-19") have abated, there can be no assurance that future COVID-19 outbreaks or other public health emergencies will not have material adverse effects on the City's operations and finances. Such public health emergencies may adversely impact the economies of the City and the surrounding areas and the State potentially resulting in a reduction of the City's tax and other revenues available to pay debt service on the Warrants.

No Mortgage or Security Interest in Project

The Warrant Ordinance does not create a mortgage on, or a security interest in, the Project.

Economic Conditions

The availability of tax and other revenues to the City will be affected by, and will be subject to, general economic and political events and conditions that will change in the future to an extent and with effects that cannot be determined at this time. These general economic and political events and conditions include, among other things, population, demographic and employment changes and trends; periods of inflation or deflation; variable patterns of national and regional economic growth, whether cyclical or structural in nature; disruptions in credit and financial markets; political gridlock concerning, among other matters, national tax and spending policies and health care policies; political developments in the City, State and the United States of America; budget and debt limit controversies nationally and at the State and local levels; unusually large numbers of business failures and business and consumer bankruptcies and policy responses, or lack thereof, to the foregoing.

Cybersecurity

Despite the implementation of network security measures by the City, its information technology systems may be vulnerable to breaches, hacker and ransomware attacks, computer viruses, physical or electronic break-ins and other similar events or issues. Governments have recently been subject to such attacks.

The foregoing events or issues could lead to the inadvertent disclosure of protected health information or other confidential information, ransomware attacks holding critical information and operations hostage or could have an adverse effect on the City's ability to provide a continuity of services or to collect taxes and other revenues. Any breach or cyberattack that compromises data could result in negative press and substantial fines and penalties for violation of federal or state law, such as privacy laws. Despite efforts of the City, no assurances can be given that such measures will prevent cybersecurity attacks, and no assurances can be given that any cybersecurity attacks, if successful, will not have a material adverse effect on the operations or financial condition of the City.

Rating

No assurance can be given that the rating assigned to the Warrants at the time of issuance (see "RATING") will continue for any given period of time after their issuance, and the City makes no representations regarding the future ratings assigned to the Warrants. Further, there is no assurance that the rating assigned to the Warrants will not be lowered or withdrawn at any time, which could adversely affect the market price for and liquidity of the Warrants.

Tax-Exempt Status of Warrants

It is expected that the Warrants will qualify as tax-exempt obligations for federal income tax purposes as of the date of issuance. See "TAX MATTERS". It is anticipated that Bond Counsel will render an opinion substantially in the form attached hereto as APPENDIX D, which should be read in its entirety for a complete understanding of the scope of the opinions and the conclusions expressed therein. A legal opinion expresses the professional judgment of the attorney rendering the opinion as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The tax status of the Warrants could be affected by post-issuance events. Various requirements of the Internal Revenue Code must be observed or satisfied after the issuance of the Warrants in order for the Warrants to qualify for, and retain, tax-exempt status. These requirements include appropriate use of the proceeds of the Warrants, use of the facilities financed or refinanced by the Warrants, investment of warrant proceeds, and the rebate of so-called excess arbitrage earnings. Compliance with these requirements is the responsibility of the City. Failure to comply could result in the inclusion of interest on the Warrants in gross income retroactive to the date of issuance of the Warrants.

The Internal Revenue Service conducts an audit program to examine compliance with the requirements regarding tax-exempt status of bonds. Under current IRS procedures, in the initial stages of an audit with respect to the Warrants, the City would be treated as the taxpayer, and the owners of the Warrants may have limited rights to participate in the audit process. The initiation of an audit with respect to the Warrants could adversely affect the market value and liquidity of the Warrants, even though no final determination about the tax-exempt status has been made. If an audit results in a final determination that the Warrants do not qualify as tax-exempt obligations, such a determination could be retroactive in effect to the date of issuance of the Warrants.

In addition to post-issuance compliance, a change in law after the date of issuance of the Warrants could affect the tax-exempt status of the Warrants or the benefits of investing in the Warrants. For example, the United States Congress could eliminate or limit the exemption for interest on the Warrants, it could reduce or eliminate the federal income tax, or it could adopt a so-called "flat tax." It cannot be predicted whether or in what form any such change in law may be enacted or whether, if enacted, any such change in law would apply to the Warrants. See "RISK FACTORS – Future Legislation Could Affect Tax-Exempt Obligations" below.

The Warrant Ordinance does not provide for the payment of any additional interest or penalty if a determination is made that the Warrants do not comply with the existing requirements of the Internal Revenue Code or if a subsequent change in law adversely affects the tax-exempt status of the Warrants or the effect of investing in the Warrants.

Future Legislation Could Affect Tax-Exempt Obligations

There may be legislation enacted in the Congress of the United States, including legislation that carries retroactive effective dates, which could alter or amend the federal tax matters referred to herein or affect the market value of the Warrants. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations issued prior to enactment. Prospective purchasers of the Warrants should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

CONTINUING DISCLOSURE

The City will enter into a Disclosure Dissemination Agent Agreement (the "Agreement") with Digital Assurance Certification, L.L.C. ("DAC"), under which the City has designated DAC as Disclosure Dissemination Agent, for the benefit of the beneficial owners of the Warrants pursuant to the requirements of Rule 15c2-12 (the "Rule") adopted by the United States Securities and Exchange Commission under the Securities Act of 1934, as amended. The Agreement will obligate the City to provide certain financial information annually and/or to file notices of the occurrence of certain events. The Agreement will be substantially in the form described in APPENDIX C.

A failure by the City to comply with its Agreement will not constitute an event of default under the Warrant Ordinance. Beneficial owners of the Warrants are limited to the remedies described in the Agreement, and under no circumstances will the City be liable for monetary damages. A failure by the City to comply with the Agreement must be reported in accordance with Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Warrants in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Warrants and their market price.

Digital Assurance Certification

DAC has only the duties specifically set forth in the Agreement. DAC's obligation to deliver the information at the times and with the contents described in the Agreement is limited to the extent the City has provided such information to DAC as required by the Agreement. DAC has no duty with respect to the content of any disclosures or notice made pursuant to the terms of the Agreement. DAC has no duty or obligation to review or verify any information in any annual report, audited financial statement, event notice or voluntary report, or any other information, disclosures or notices provided to it by the City and shall not be deemed to be acting in any fiduciary capacity for the City, the holders of the Warrants or any other party. DAC has no responsibility for the City's failure to report to DAC a notice event or a duty to determine the materiality thereof. DAC shall have no duty to determine, or liability for failing to determine, whether the City has complied with the Agreement. DAC may conclusively rely upon certifications of the City at all times.

Compliance with Prior Undertakings

In the past five years, the City has not failed to comply with the disclosure obligations in its prior continuing disclosure undertakings entered into pursuant to the Rule.

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CITY DEBT

General Obligation Indebtedness

The City's outstanding long-term indebtedness after the issuance of the Warrants will be as follows:

Issue	Principal Amount Outstanding
General Obligation Refunding and Improvement Warrants, Series 2016	$ 2,220,000
General Obligation Refunding and Improvement Warrants, Series 2019	8,350,000
General Obligation Refunding Warrants, Series 2020-A	7,295,000
General Obligation Refunding Warrants, Series 2020-B (Federally Taxable)	2,240,000
General Obligation Warrant, Series 2021	4,545,442
Warrants	8,780,000*
TOTAL	$33,430,442

Other Indebtedness

In addition to the long-term indebtedness shown above, the City has capital leases for the purchase of vehicles and equipment, currently outstanding in the amount of $791,342.

The City has no authorized but unissued debt, and the City does not have any current plans to issue additional long-term indebtedness. However, the City expects to incur additional indebtedness in the future at times, and in amounts, and for purposes not yet determined.

Subordinate Entity Debt

As of September 30, 2022, the Utilities Board of the City of Daphne, a public corporation which was incorporated by the City and has a five-member board of directors, had outstanding principal indebtedness (including State Revolving Fund loans) in the amount of $14,905,000.

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* Preliminary; subject to change.

Debt Service Requirements

The following table presents the annual debt service on the Warrants, the Series 2021 Warrants, the Series 2020-A Warrants, the Series 2020-B Warrants the Series 2019 Warrants and the Series 2016 Warrants after the issuance of the Warrants:

Fiscal Year	Warrants*	Series 2021 Warrants	Series 2020-A Warrants	Series 2020-B Warrants	Series 2019 Warrants	Series 2016 Warrants	Total Debt Service
2024	$528,200	$959,722	$218,850	$577,107	$849,575	$412,200	$3,545,654
2025	664,250	953,490	218,850	576,607	844,850	418,600	3,676,647
2026	664,750	947,216	218,850	580,724	841,650	414,400	3,667,590
2027	664,500	940,899	218,850	578,322	842,550	414,700	3,659,821
2028	663,500	934,536	788,850	-	837,550	419,300	3,643,736
2029	661,750	-	786,750	-	851,350	418,200	2,718,050
2030	664,250	-	789,200	-	839,050	-	2,292,500
2031	660,750	-	791,050	-	840,850	-	2,292,650
2032	661,500	-	787,300	-	836,550	-	2,285,350
2033	661,250	-	788,100	-	677,500	-	2,126,850
2034	660,000	-	788,300	-	678,900	-	2,127,200
2035	662,200	-	782,900	-	674,775	-	2,119,875
2036	663,600	-	792,050	-	680,050	-	2,135,700
2037	664,200	-	790,300	-	-	-	1,454,500
2038	664,000	-	787,950	-	-	-	1,451,950
2039	663,000	-	-	-	-	-	663,000
2040	661,200	-	-	-	-	-	661,200
2041	663,600	-	-	-	-	-	663,600
2042	665,000	-	-	-	-	-	665,000
2043	660,400	-	-	-	-	-	660,400
TOTAL	$13,121,900	$4,735,863	$9,548,150	$2,312,760	$10,295,200	$2,497,400	$42,511,273

Constitutional Limitation on Debt of City

General Limitation. Section 225 of the Constitution of Alabama provides that cities having a population of six thousand or more may not become indebted in an amount in excess of 20% of the assessed valuation of the property situated therein (the "***General Debt Limit***"). The Constitution exempts from this General Debt Limit several categories of indebtedness, including (i) temporary loans, to be paid in one year, made in anticipation of the collection of taxes and not exceeding one-fourth of the general revenues; (ii) bonds or other obligations issued for the purpose of acquiring, providing or constructing schoolhouses, water works and sewers; and (iii) obligations incurred and bonds issued for street or sidewalk improvements where the cost of the same, in whole or in part, is to be assessed against the property abutting said improvements. The City has outstanding $599,400 principal amount of obligations for sewers that is not chargeable to its General Debt Limit.

* Preliminary; subject to change.

The General Debt Limit following the issuance of the Warrants is based on the assessed value of real and personal property of $595,922,800 as of October 1, 2022, and is computed as follows:

Total Outstanding Debt	$ 33,430,442
Less Debt not Chargeable to General Debt Limit	$ 616,272
Debt Chargeable to General Debt Limit	$ 32,814,170
General Debt Limit (20% of Assessed Value)	$119,184,560
Debt Margin	$ 86,379,133
Debt to Assessed Valuation	5.61%
2022 Population of City	29,670
Total Debt Per Capita	$1,126.74

Amendment No. 772 to the Alabama Constitution authorizes the counties and municipalities within the State to use public funds for certain purposes intended to further the economic development of such political subdivisions. Amendment No. 772 authorizes any county or municipality to (i) acquire real property, buildings, plants, factories, facilities, machinery and equipment of any kind and to improve and develop such properties for use as sites for industry of any kind or as industrial parks, (ii) lease, sell, grant, exchange or otherwise convey all or any part of any real property, buildings, plants, factories, facilities, machinery and equipment or any industrial park project to any individual, firm, corporation or other entity, public or private, for the purpose of constructing developing, equipping and operating industrial, commercial, research or service facilities of any kind or (iii) lend its credit to, or grant public funds and things of value for the benefit of, any individual, firm, corporation or other entity, public or private, for the purpose of promoting the economic and industrial development of such political subdivision.

Amendment No. 772 also authorizes counties and municipalities to issue bonds, warrants, notes and other evidences of indebtedness and to use the proceeds thereof in furtherance of the powers discussed in the paragraph immediately above, subject to the limitation that the aggregate principal amount of obligations issued for such purposes may not exceed fifty percent (50%) of the assessed value of taxable property in such county or municipality. Amendment No. 772 provides that the bonds, warrants, notes or other evidences of indebtedness may be secured by the full faith and credit of the issuer or may be limited as to the source of payment.

The issuance of bonds, warrants, notes and other evidences of indebtedness pursuant to Amendment No. 772 is not subject to the City's General Debt Limit (discussed above).

CITY REVENUES

General

The City operates on a fiscal year basis beginning October 1 and ending September 30. The City prepares a detailed budget for each fiscal year that is approved by the City Council prior to October 1 and all departments are required by City policy to operate within their respective budgets. There is no constitutional requirement that the budget be balanced each year, but the City has, as a matter of policy, required a balanced budget.

The significant accounting practices for City finances are summarized in the audited financial statements of the City. A copy of the audited financial statements of the City for the fiscal year which ended September 30, 2022, is included as APPENDIX B to this Official Statement including statements of revenues, expenditures and changes in fund balances. The General Fund finances substantially all current operations. These financial statements should be reviewed by prospective purchasers of the Warrants.

Summary of Primary Sources of Revenues and Expenditures

The following table sets forth the primary sources of General Fund revenues, as well as primary categories of expenditures, for the fiscal years ended September 30, 2018 through 2022:

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GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN GENERAL FUND BALANCE
FOR THE FISCAL YEAR ENDING SEPTEMBER 30

REVENUES	**2022**	**2021**	**2020**	**2019**	**2018**
Taxes:					
Sales, use, luxury	$27,568,956	$25,099,130	$20,550,804	$18,721,240	$17,641,013
Property	7,377,139	6,76,084	6,426,270	6,190,619	5,712,928
Total Taxes	34,946,095	31,885,214	26,977,074	24,911,859	23,353,941
Licenses & Permits	4,438,217	3,904,382	3,948,199	3,290,913	3,160,105
Payments in Lieu of Taxes	2,711,495	2,638,733	2,652,738	2,652,300	2,652,495
Fines and forfeitures	346,893	306,048	323,646	341,115	330,761
Charges for Services	883,908	940,255	599,135	692,487	363,094
Intergovernmental	696,883	670,246	587,723	419,062	358,441
Grants	1,530,903	5,344,976	1,846,423	442,612	492,590
Interests/Investment Earnings	(741,165)	86,896	371,273	458,592	52,694
Contributions and Donations	765,048	288,048	113,552	112,312	121,522
Miscellaneous	172,948	805,584	133,367	176,535	74,944
Total Revenues	45,751,225	46,870,382	37,553,130	33,497,787	30,960,587
EXPENDITURES					
Current:					
General Government	6,312,404	6,105,665	4,926,152	4,707,270	5,023,529
Public Safety	14,552,089	12,344,850	11,596,570	11,307,601	10,818,961
Public Works	5,314,158	4,734,617	5,077,660	4,187,278	4,029,139
Culture and Recreation	3,392,820	2,840,829	2,321,703	2,349,964	2,063,789
Hurricane Nate	-	-	-	-	20,487
Hurricane Sally	30,144	4,889,461	1,079,452	-	-
Capital Outlay	6,025,996	3,737,641	2,132,250	2,570,040	1,833,138
Debt Service:					
Principal	39,721	-	-	-	-
Interest	2,816	-	-	-	-
Total Expenditures	35,670,148	34,653,063	27,133,787	25,122,153	23,789,043
Excess (deficiency of revenues over (under) expenditures	10,081,077	12,217,319	10,419,343	8,375,634	7,171,544
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	15,591	-	-
Transfers Out	(8,713,453)	(7,469,670)	(7,279,279)	(7,648,101)	(6,714,173)
Issuance of Debt	850,701	19,947	156,625	805,355	293,038
Total other financing sources (uses)	(7,862,752)	(7,449,723)	(7,107,063)	(6,842,746)	(6,421,135)
Net change in fund balances	2,218,325	4,767,596	3,312,280	1,532,888	750,409
Fund Balance, Beginning	24,322,837	19,555,241	16,242,961	14,710,073	13,959,664
End Balance, Ending	**$26,541,162**	**$24,322,837**	**$19,555,241**	**$16,242,961**	**$14,710,073**

Sales Taxes

The City levies a privilege license tax at the rate of 2.5% pursuant to Ordinance No. 1977-3, as amended by Ordinance No. 1989-13, on persons, corporations and others engaging in the business of selling at retail tangible personal property or conducting places of amusement (the said tax being measured by the gross proceeds or gross receipts of the said business) to the extent that the said tax is levied with respect to business conducted within the corporate limits of the City. Such privilege license tax is herein referred to as the "Sales Tax."

Collections of the Sales Taxes have been as follows for the past five fiscal years:

Fiscal Year	Collection
2021-22	$27,059,467
2020-21	25,458,084
2019-20	21,465,523
2018-19	19,715,138
2017-18	18,180,419

Business License Fee

The City levies, under general authority granted by the Legislature of the State of Alabama, a business license fee on the privilege of engaging in certain businesses and professions within the corporate limits of the City and its police jurisdiction. Businesses and professions are charged a fee based on gross receipts of the prior year, subject to certain limitations with respect to rate. The business license fee is collected by the City's Revenue Department.

Collections of the City's Business License Fee have been as follows for the last five fiscal years indicated:

Fiscal Year	Collection
2021-22	$2,928,530
2020-21	2,701,554
2019-20	2,561,984
2018-19	2,418,955
2017-18	2,324,471

Property Taxes

General. The levy and collection of ad valorem taxes in Alabama are subject to the Alabama Constitution, which, among other things, fixes the percentages of market value at which property can be assessed for taxation, limits the tax rates that can be levied against property and places a ceiling on the aggregate ad valorem taxes that can be levied by all taxing authorities on any property in any tax year. The amount of an ad valorem tax in Alabama is computed by multiplying the applicable tax rate by the assessed value of the taxable property. The assessed value of taxable property is a specified percentage (the "assessment ratio") of its fair and reasonable market value or, in certain circumstances, its current use value.

Ad valorem tax rates are stated in terms of mills per dollar of assessed value. Each mill represents a tax equal to one-tenth of one percent of the assessed value of such property.

Classification of Taxable Property. Amendment No. 373 to the Alabama Constitution divides all taxable property into the following four classes valued for taxation according to the assessment ratios shown below:

Class I	All property owned by utilities	30%
Class II	All property not otherwise classified	20%
Class III	All agricultural, forest and single-family, owner-occupied residential property and historic buildings and sites	10%
Class IV	Private passenger automobiles and pickup trucks owned and operated by an individual for personal or private use	15%

Amendment No. 373 permits the owner of Class III property to elect to have such property appraised at its "current use value" rather than its "fair and reasonable market value." "Current use value" has been defined statutorily as the value of such property based on the use being made of it on February 1 of the preceding year, without taking into consideration the prospective value such property might have it if were put to some other possible use.

Assessment Ratio Adjustment. The Alabama Legislature has no power to adjust assessment ratios pertaining to local (as distinguished from state) taxes but does have the power to approve or disapprove an adjustment proposed by a local taxing authority. The governing body of any county, municipality or other local taxing authority may increase or decrease the assessment ratio with respect to any class of property subject to the following conditions: (i) the governing body of such county, municipality or other taxing authority must hold a public hearing on the proposed adjustment before authorizing the adjustment, (ii) the Legislature must adopt an act approving the adjustment, and (iii) a majority of the electors of such county, municipality or other taxing authority must approve the adjustment in a special election. In addition, the Legislature has placed the following restrictions on the adjustment of assessment ratios:

(1) If the total assessed value of all property of a single class located within a taxing authority's jurisdiction exceeds 50% of the total assessed value of all taxable property located within the jurisdiction of such authority, then the assessment ratio with respect to that class of property may be decreased by no more than 5% from the ratio otherwise prescribed for such class;

(2) If the total assessed value of all properties of a single class located within the jurisdiction of a local taxing authority is less than 20% of the total assessed value of all taxable property located within such jurisdiction, then the assessment ratio with respect to that class of property may be increased by no more than 5% from the ratio otherwise prescribed for such class; and

(3) If the total assessed value of all property of a single class located within the jurisdiction of a local taxing authority exceeds 75% of the total assessed value of all taxable property located within such jurisdiction, then (i) the assessment ratio with respect to that class of property may be decreased by no more than 5% from

the ratio otherwise prescribed for such class, and (ii) the prospective assessment ratio for all other classes of property may be increased by no more than 5% from the ratio otherwise prescribed for such classes.

The governing body of the City has not sought to adjust the assessment ratio applicable to any class of taxable property nor does the City Recipient have any present plan for any such adjustment.

Rate Adjustments. Amendment No. 373 authorizes any county, municipality or other local taxing authority to decrease any ad valorem tax at any time, provided that such decrease does not jeopardize the payment of any bonded indebtedness secured by such tax. Amendment No. 373 also permits a county, municipality or other local taxing authority to increase the rate at which any ad valorem tax is levied, but only if (i) the governing body of such county, municipality or other taxing authority holds a public hearing on the proposed increase before authorizing the increase, (ii) the Legislature adopts an act approving the increase, and (iii) a majority of the electors of such county, municipality or other taxing authority subsequently approves the increase in a special election.

Ceiling on Ad Valorem Taxes. Amendment No. 373 also limits the total amount of state, county, municipal and other ad valorem taxes that may be imposed on any class of property in any one tax year. This limitation is expressed in terms of a specific percentage of the fair and reasonable market value of such property. The applicable percentages to the four classes of property are as follows:

Class I	-	2%
Class II	-	1 1/2%
Class III	-	1%
Class IV	-	1 1/4%

If the total amount of tax otherwise payable with respect to a class of property would exceed the maximum tax limit, the millage rate of each separate tax to which such property is subject must be reduced in the same proportion that the millage levied by or for the benefit of each taxing authority bears to the total millage levied by or for the benefit of all applicable taxing authorities. This provision becomes operative as to the several classes of property only if the total tax rate exceeds the following:

Class I	-	66 2/3 mills
Class II	-	75 mills
Class III	-	100 mills
Class IV	-	83 1/3 mills

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Ad Valorem Tax Rates. Ad valorem taxes on real and personal property in the jurisdiction of the City are currently levied at the following rates:

Taxing Entity	Mills
State of Alabama	6.5
City of Daphne	15.0
Baldwin County:	
General	5.0
Schools	9.0
Road & Bridges	2.5
Special School District	3.0
Daphne School District	3.0*
Fire	1.5
Health Department	0.5
	46.0

* Levied effective October 1, 2022.

There are, therefore, 46 mills currently being levied on taxable property situated in the City.

Assessed Value of Taxable Property. The following table sets forth the total real property assessed valuation within the corporate limits of the City, the ad valorem taxes levied and the percentage collected:

Tax Year	Assessed Valuation	Taxes Due	Tax Collected	Total
2022	$529,868,700	$7,630,109	$7,333,063	96.10%
2021	450,812,400	6,729,663	6,721,981	99.89%
2020	427,385,800	6,362,692	6,362,265	99.99%
2019	407,362,300	6,066,142	6,064,338	99.97%
2018	396,345,220	5,813,829	5,794,732	99.67%

Source: City of Daphne, Alabama

Property taxes are generally collected and received by municipalities by February 1 of each fiscal year. For purposes of ad valorem taxation, taxes are due and payable in the fiscal year following the fiscal year in which the assessment and levy is made. Ad valorem taxes on taxable properties (except motor vehicles) in the City are required to be collected by the Tax Collector of Baldwin County. Ad valorem taxes on motor vehicles in the City are collected by the Judge of Probate of Baldwin County.

Payments in Lieu of Taxes

Certain entities that are otherwise exempt from tax have agreed to make payments in lieu of taxes. Such payments have been as follows for the last five fiscal years indicated:

Fiscal Year	Amount Received
2021-22	$2,711,495
2020-21	2,638,733
2019-20	2,652,738
2018-19	2,652,300
2017-18	2,625,495

Lodging Taxes

The City levies a lodging tax for renting or furnishing rooms, lodgings or accommodations and for renting or furnishing space for accommodation of trailers at a rate based upon percentage of charges. Collections of the lodging tax for the last five years have been as follows:

Fiscal Year	Collection
2021-22	$1,670,164
2020-21	1,618,261
2019-20	1,011,489
2018-19	1,241,568
2017-18	1,229,247

Other Taxes

Along with miscellaneous other taxes, the City also levies a beer tax, a liquor tax, a gasoline tax and a tobacco tax, the revenues of which for the last five fiscal years were as follows:

Fiscal Year	Beer Tax Collections	Liquor Tax Collections	Gasoline Tax Collections	Tobacco Tax Collections
2021-22	$306,901	$170,602	$223,562	$134,512
2020-21	323,769	151,787	217,609	144,178
2019-20	307,354	106,191	193,662	138,473
2018-19	289,115	89,643	218,772	138,072
2017-18	282,088	85,691	227,979	126,380

LITIGATION

There is no litigation pending or, to the knowledge of the City, threatened contesting the validity of the Warrants or relating to the organization or boundaries of the City, the incumbency of any of the City's officers, or the issuance or sale of the Warrants. Simultaneously with the delivery of the Warrants, the City will deliver a certificate to the effect that no such litigation is pending or, to the knowledge of the City, threatened.

The City is not a defendant in any lawsuits or other pending litigation which it believes would have a materially adverse effect upon its financial condition.

Recent court decisions have substantially eroded the immunity from tort liability formerly enjoyed by local governmental units in Alabama. Chapter 93 of Title 11 of the Code of Alabama 1975, as amended, now prescribes certain maximum limits on the liability of local governmental units (such as the City) for bodily injury, sickness, disease or death sustained by a person and for injury or destruction of tangible property. However, Chapter 93 has no application to causes of action under Section 1983 of Title 42 of the United States Code. Municipalities and other local governmental units throughout the country have been increasingly subject to lawsuits, many of which claim damages in large amounts for alleged denials of civil rights under the provisions of Section 1983. The City has procured liability insurance coverage from the Alabama Municipal Insurance Corporation which does afford, within limits, coverage and costs of defense for such lawsuits brought pursuant to federal law.

Legal counsel is currently representing the City of Daphne in various legal proceedings arising principally in the normal course of operations of a city government. In the opinion of the city officials, the outcome of the pending legal proceedings is not likely to have a material adverse effect on the financial condition of the City.

TAX MATTERS

Under existing law, the tax status of the Warrants will include the following characteristics:

General

In the opinion of Bond Counsel, under existing law, interest on the Warrants will be excludable from gross income for federal income tax purposes if the City complies with all requirements of the Internal Revenue Code of 1986 (the "Internal Revenue Code") that must be satisfied subsequent to the issuance of the Warrants in order that interest thereon be and remain excludable from gross income. Failure to comply with certain of such requirements could cause the interest on the Warrants to be included in gross income retroactive to the date of issuance of the Warrants. The City has covenanted to comply with all such requirements.

Bond Counsel is also of the opinion that, under existing law, interest on the Warrants will not be an item of tax preference for purposes of the federal alternative minimum tax; however, for tax years beginning after December 31, 2022, interest on the Warrants is included in the "adjusted financial statement income" of certain corporations that are subject to the federal alternative minimum tax.

Bond Counsel is further of the opinion that, under existing law, interest on the Warrants is exempt from income taxation imposed by the State of Alabama.

Bond Counsel will express no opinion regarding federal tax consequences arising with regard to the Warrants other than the opinions expressed in the two preceding paragraphs.

Collateral Tax Consequences

Prospective purchasers of the Warrants should be aware that ownership of the Warrants may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income", foreign corporations subject to a branch profits tax and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Warrants. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Warrants should consult their tax advisors as to collateral federal income tax consequences.

Opinion of Bond Counsel

The form of Bond Counsel's opinion with respect to the Warrants is expected to be substantially as set forth in APPENDIX D to this Official Statement.

The opinion of Bond Counsel expresses the professional judgment of Bond Counsel relating to the legal issues explicitly addressed therein. By rendering the opinion, Bond Counsel does not become an insurer or guarantor of an expression of professional judgment of the transaction opined upon, or of the future performance of parties to such transaction, and the rendering of such opinion does not guarantee the outcome of any legal dispute that may arise in connection with the transaction.

[Original Issue Premium

An amount equal to the excess of the purchase price of a Warrant over its stated redemption price at maturity constitutes premium on such Warrant. A purchaser of a Warrant must amortize any premium over such Warrant's term using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the purchaser's basis in such Warrant is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Warrant prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Warrants at a premium, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Warrants.

Original Issue Discount

Under existing law, the original issue discount in the selling price of a Warrant, to the extent properly allocable to each holder of such Warrant, is excludable from gross income for federal income tax purposes with respect to such holder. The original issue discount is the excess of the stated redemption price at maturity of such Warrant over its initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of the Warrants of such maturity were sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to a holder of a Warrant during any accrual period generally equals (i) the issue price of such Warrant plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Warrant (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (iii) any interest payable on such Warrant during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the holder's tax basis in such Warrant. Purchasers of any Warrant at an original issue discount should consult their tax advisors regarding the determination and treatment of original issue discount for federal income tax purposes, and with respect to state and local tax consequences of owning such Warrant.]

Other Considerations

The foregoing discussion does not address the effects of any applicable federal income, state, local or foreign tax laws other than those specifically discussed above. Prospective purchasers are urged to consult their own tax adviser concerning the federal income tax consequences of owning and disposing of the Warrants, as well as any consequences under the laws of any state, local or foreign taxing jurisdiction.

See "RISK FACTORS – Tax-Exempt Status of the Warrants" and "RISK FACTORS – Future Legislation Could Affect Tax-Exempt Obligations" herein for a discussion of certain risk factors relating to investment in the Warrants.

Bank Qualification

The City has designated the Warrants as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code with respect to the deduction of interest costs by certain financial institutions attributable to carrying or purchasing the Warrants.

UNDERWRITING

The Warrants will be purchased by Piper Sandler & Co. (the "***Underwriter***") at a purchase price of $__________, which reflects an underwriter's discount of $_______ and net original issue premium of $__________. The initial public offering prices set forth on the inside cover page may be changed by the Underwriter, and the Underwriter may offer and sell the Warrants to certain dealers (including dealers depositing the Warrants into investment trusts) and others at prices lower than the offering price set forth on the inside cover page. The Underwriter will purchase all the Warrants if any are purchased. The Underwriter is obligated to purchase and pay for all the Warrants in cash.

The Underwriter has entered into a distribution agreement (the "***Distribution Agreement***") with Charles Schwab & Co., Inc. ("***CS&Co.***") for the retail distribution of certain securities offerings, including the Warrants, at the original issue prices. Pursuant to the Distribution Agreement, CS&Co. will purchase Warrants from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Warrants that CS&Co. sells.

RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("***S&P***") is expected to assign a rating to the Warrants as indicated on the cover page. Any definitive explanation of the significance of any such rating may be obtained only from S&P. There is no assurance that any such rating will remain in effect for any given period of time or that any such rating will not be lowered or withdrawn entirely if, in the judgment of S&P, circumstances should warrant such action. Any such downward revision or withdrawal of any rating assigned to the Warrants could have an adverse effect on the liquidity and/or market price of the Warrants.

LEGAL MATTERS

The legality and validity of the Warrants will be approved by Balch & Bingham LLP, Birmingham, Alabama, Bond Counsel, whose approving opinion will be delivered at the time of the delivery of the Warrants. It is anticipated that the opinion of Bond Counsel will be in substantially the form attached hereto as APPENDIX D. Certain matters will be passed upon for the City by its counsel, Adams & Reese LLP, Mobile, Alabama, and for the Underwriter by its counsel, Ezell Law, LLC, Birmingham, Alabama.

INFORMATION IN THE APPENDICES

The Annual Comprehensive Financial Report for the Year Ended September 30, 2022, of the City attached hereto as APPENDIX B has been examined by Avizo Group, Inc., Certified Public Accountants, Fairhope, Alabama, independent auditors, to the extent and for the periods indicated in their report which appears in such Appendix. Such financial statements have been included in reliance upon such report.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized.

References herein to the Alabama Constitution and all legislative acts referred to herein are intended to be only brief outlines of certain provisions of each thereof and do not purport to summarize or describe all provisions thereof.

The distribution of this Official Statement and its use in the offering and sale of the Warrants have been approved by the governing body of the City.

CITY OF DAPHNE, ALABAMA

By: ______________________________________
Mayor

APPENDIX A

FINANCIAL AND STATISTICAL DATA
RELATIVE TO THE CITY OF DAPHNE, ALABAMA

General

The City of Daphne, Alabama (the "City"), was founded in 1927, and is the largest city in Baldwin County, comprising 17.71 square miles. It is located on the eastern shore of Mobile Bay and is adjacent to Interstate 10, a major east/west thoroughfare. The City is 39 miles west of Pensacola, Florida and 9 miles east of Mobile, Alabama. The City is primarily a residential area with its residents working on the eastern shore of Baldwin County or in the Mobile or Pensacola areas.

Population

The following table sets forth population statistics for the State of Alabama, the City, Baldwin County and the United States for the years indicated.

	2016	2017	2018	2019	2020	2021	2022
State of Alabama	4,863,525	4,874,486	4,887,681	4,903,185	5,024,279	5,039,877	5,074,296
City of Daphne	25,565	26,006	26,504	26,869	27,462	28,777	29,670
Baldwin County	207,601	212,521	217,855	223,234	231,767	239,294	246,435
United States	322,941,311	324,985,539	326,687,501	328,239,523	331,449,281	331,893,745	333,287,557

Source: U.S. Department of Commerce, Bureau of Census.

Governmental Organization and Administration

The City is a municipal corporation incorporated under the Constitution and laws of the State of Alabama. The City is governed by an elected Mayor and a City Council. The Mayor, elected at large for a four-year term, is the chief administrative officer of the City and is responsible for the daily management of the City and supervision of its employees. The members of the City Council serve part-time and along with the Mayor are responsible for adopting all legislative ordinances and setting the policies of the City, including the appropriation of money. The City Clerk and the Finance Director/Treasurer are responsible for managing the official records of the City and managing the fiscal affairs of the City, respectively. The present Mayor and the members of the City Council are as follows:

The City's governing body consists of the following:

Name	Office	Occupation
Robin LeJeune	Mayor	Appointed Official
Tommie Conaway	Council Member, District 1	Retired/Teacher
Steve Olen	Council Member, District 2	Retired/Attorney
Joel Coleman	Council Member, District 3	Engineer/Sawgrass Consulting
Doug Goodlin	Council Member, District 4	Retired Air Force Lt. Colonel; AF JROTC Instructor/Daphne High School
Ron Scott	Council Member, District 5	Retired/Tameron Eastern Shore Honda
Benjamin Hughes	Council Member, District 6	Flight Nurse/Paramedic/Air Methods Corporation
Angie Phillips	Council Member, District 7	Teacher/Spanish Fort High School
Candance Antinarella	City Clerk	
Kelli Kichler Reid	Finance Director/Treasurer	

The current terms of said officers expire November 2024. The City Clerk and Finance Director serve at the pleasure of the City Council.

Personnel and Retirement System

The City employed approximately 369 full-time and part-time persons in its several departments as of September 30, 2022. The benefits and compensation for all employees of the City's several departments are established by the City Council and are paid from the City's general fund revenues. The City participates in a retirement system established by the Alabama Legislature known as the Employee's Retirement System of Alabama, to which contributions are made by both the employees and the City. See the Audited Financial Statements of the City in APPENDIX B attached hereto for a description of the City's obligations with respect to the Employee's Retirement System of Alabama.

No employees of the City are represented by labor unions or similar employee organizations, and the City does not bargain collectively with any labor unions or employee organizations. The City considers its relations with its employees to be generally good.

Other Post Employment Benefits

The City of Daphne offers certain post-employment benefits to employees under the age of 65 who meet the criteria for retirement as set by the Retirement System of Alabama. Medical and Dental benefits are provided through a comprehensive plan and life insurance coverage is provided with a $5,000 cap. Employees do not contribute to their post-employment benefits until they retire and begin receiving those benefits. The City of Daphne's Annual Required Contribution rate is actuarially determined in accordance with GASB 45 and totals $404,503 as of September 30, 2022. The City's total OPEB liability is $5,655,524 as of September 30, 2022 with plan assets of $880,609 leaving a net liability of $4,774,915.

Utilities

The water and sanitary sewer service is supplied by the Utilities Board of the City of Daphne (the "***Utilities Board***"), a public corporation, the directors of which are appointed by the City Council. The Utilities Board also provides gas service. Electrical service is supplied by the Utilities Board of the City of Foley.

Education

The County Board of Education of Baldwin County, Alabama provides public school facilities for the County's students in the City. The County Board of Education has located a high school, a middle school and three elementary schools in the City. For 2022, it is estimated that approximately 96.5% of the population of the City are high school graduates and 40.7% are college graduates. State averages are 88.0% and 27.4%, respectively.

Four institutions of higher learning located in Mobile County, which are accessible to residents of the City, are University of Mobile, Spring Hill College, Bishop State Community College and the University of South Alabama. Coastal Alabama Community College, whose main campus is located in Bay Minette, Alabama, is also nearby. Pensacola, Florida, located approximately thirty-five miles from the City, also provides certain educational opportunities

Source: Baldwin County Economic Development Alliance

Income Level

There are two basic methods of measuring annual income: per capita income, which is the total income of all families and individuals in a given area divided by the total population of the area, and median family income above and below which there are an equal number of family incomes.

The following tables present comparative information regarding income levels in the City, Baldwin County, the State of Alabama, and the United States:

Per Capita Income

Year	City of Daphne	Baldwin County	State of Alabama	United States
2021	$36,079	$35,824	$30,608	$38,332
2020	35,933	33,715	28,934	35,384
2019	33,622	32,443	28,650	35,672
2018	33,237	31,203	26,846	32,621
2017	32,323	29,364	25,746	31,177

Median Family Income

Year	City of Daphne	Baldwin County	State of Alabama	United States
2021	$85,982	$82,801	$70,878	$85,028
2020	86,222	79,907	66,772	80,069
2019	84,912	75,850	64,430	77,263
2018	84,243	71,951	62,030	73,965
2017	81,627	67,732	59,115	70,850

Source: U.S. Census Bureau, 2017-2021 American Community Survey Five-year Estimates.

The percentage of all ages in the City, in Baldwin County, in the State of Alabama and in the United States with income below the poverty level in 2021 is as follows:

Daphne, Alabama	8.5%
Baldwin County	10.8%
State of Alabama	16.1%
United States	12.8%

Sources: U.S. Census Bureau, 2021 American Community Survey Five-year Estimates.

Employment

The following table sets forth labor force estimates, employment, unemployment and unemployment rates for Daphne-Fairhope-Foley, Alabama Metropolitan Area on the dates indicated:

	2016	2017	2018	2019	2020	2021	2022
Civilian Labor Force	89,018	90,001	92,494	95,993	98,910	99,427	102,849
Employment	84,342	87,006	89,401	93,689	92,751	96,481	100,432
Unemployment	4,676	2,995	3,093	2,304	6,159	2,946	2,417
Rate	5.3%	3.3%	3.3%	2.4%	6.2%	3.0%	2.4%

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The following table sets forth comparative unemployment rates for Baldwin County, the State of Alabama and the United States in each of the years indicated:

Calendar Year	Baldwin County (%)	State of Alabama (%)	United States (%)
2022	2.4	2.6	3.6
2021	2.9	3.4	5.3
2020	6.1	6.4	8.1
2019	2.4	3.0	3.7
2018	3.4	3.9	3.9
2017	4.0	4.4	4.4
2016	5.4	5.9	4.9
2015	5.5	6.1	5.3

Source: U.S. Department of Labor, Bureau of Labor Statistics; Not Seasonally Adjusted.

Labor Force Characteristics

The following table sets forth annual 2020 estimated employment and wages employment statistics for Baldwin County:

Baldwin County
Employment by Industry

	Number Employed	Total Wages	%
Health Care and Social Assistance	9,196	$447,535,856	12.6
Retail Trade	13,399	425,546,262	18.3
Manufacturing	3,813	202,012,962	5.2
Accommodation and Food Services	12,321	281,416,393	16.8
Administrative and Waste Services	3,626	119,733,406	5.0
Construction	4,366	239,127,865	6.0
Professional and Technical Services	2,312	143,290,084	3.2
Transportation and Warehousing	1,781	89,058,711	2.4
Wholesale Trade	1,915	128,970,028	2.6
Other Services, Ex. Public Admin.	1,870	74,417,111	2.6
Finance and Insurance	2,000	141,654,537	2.7
Real Estate, Rental and Leasing	2,036	86,875,062	2.8
Educational Services	1,025	46,579,533	1.4
Information	406	22,854,470	0.6
Arts, Entertainment and Recreation	1,753	35,834,421	2.4
Utilities	309	26,122,822	0.4
Management of Companies and Enterprises	283	19,704,693	0.4
Agriculture, Forestry, Fishing & Hunting	703	29,271,828	1.0
Mining	70	4,155,453	0.0
Total wage and salary employees	73,123	$3,023,844,674	100

Source: Alabama Department of Labor– Labor Market Division

Major Employers

The top manufacturing and nonmanufacturing employers in Baldwin County, their principal activity and the number of employees of each are as follows:

Top Manufacturers in Baldwin County

Company	Industry	Employed
Collins Aerospace	Thrust Reversers, Cawlings, and Nacelle Components	1,100
Ace Hardware Support Center	Hardware Distribution Support Center	300
Vulcan, Inc.	Aluminum & Steel Products	285
Quincy Compressors	Air Compressors	215
Bon Secour Fisheries	Seafood Processing	150
Segers Aerospace	Aerospace and Defense MRO	130
Quality Filters	Air Filters	130
Ascend Materials	Fibers and Resins	100
Dental EZ	Medical Instruments	100

Top Non-Manufacturers in Baldwin County

Company	Industry	Employed
Baldwin County Board of Education	Education	3,900
Wal-Mart	Retail	1,700
Infirmary Health	Medical Care	1,490
Columbia Southern University	Education	1,050
South Baldwin Regional Medical Center	Medical Care	860
Publix	Retail	830
Baldwin County Commission	Government	670
Marriott Grand Hotel	Hotel & Country Club	530
Brett/Robinson Gulf Corp.	Vacation Rental Management	520
S.H. Enterprises	Vacation Rental Management	375

Source: Baldwin County Economic Development Alliance; 2022.

City's Major Employers

Employers	Number of Employees
Thomas Medical Center / ER	648
Baldwin County Board of Education	604
City of Daphne	369
Wal-Mart Super Center	269
Chris Myers	225
Eastern Shore Toyota/Hyundai	220
Lowe's	165
Publix	150
Bayside Academy	140
Target	131

Source: City of Daphne, Alabama.

Top Ten Taxpayers of the City - 2022

Taxpayers	Assessed Value (000's)	Taxes Paid*	City Taxes Paid
Colonnade at Eastern Shore	$8,062,960	$345,555	$120,944
Audubon 344, LLC	7,876,100	337,547	118,142
Jubilee Square, LLC	6,910,040	296,145	103,651
Ashley Gates Holdings LLC	6,171,500	264,493	92,573
Belforest Apartments LLC	5,979,180	256,251	89,688
Esfahani Real Estate Holdings	5,031,660	215,643	75,475
Palladian at Daphne LLC	4,609,060	197,531	69,136
OCP Whispering Pines LLC	4,304,380	184,473	64,566
D R Horton Inc - Birmingham	4,275,020	183,215	64,125
EGP Property LLC	3,979,880	170,566	59,698

Source: City of Daphne, Alabama. Data only available for top ten organizations.
*Includes state, county and school taxes.

Housing

The U.S. Department of Commerce, U.S. Census Bureau reports that the median value of owner-occupied houses in the City, 2017-2021 was $231,000.

Transportation

The City is located along a 3-mile stretch of Interstate 10 approximately 9 miles east of Mobile, Alabama. Interstate 10 is the southernmost transcontinental highway in the American Interstate Highway System. The 2,460 mile Interstate 10 highway spans from Santa Monica, California to Jacksonville, Florida.

Additionally, Interstate Highway 65, which runs northward from Mobile, Alabama through Nashville, Tennessee, is located approximately 30 miles north of the City where it passes through Baldwin County. The City is served by two major north/south corridors in U.S. Highway 98 and State Highway 181. Both highways allow access to Daphne from Interstate 10 and run south through U.S. Highway 90 and County Highway 64 which connect to the City to the east.

Bus. Nationwide bus service is available. Greyhound, Trailways and Megabus Bus Lines provides bus service to the Baldwin and Mobile Counties.

Water. The Port of Mobile is the largest and best equipped gulf port located close to deep water in Alabama. The Port's major waterfront facilities are located along the lower five miles of the Mobile River at the head of Mobile Bay just across the bay from Baldwin County. The harbor is situated about thirty miles north of the Bay entrance from the Gulf of Mexico. The present depth-controlling entrance to the inner harbor is 40 feet. The Port is authorized for 55 feet south of the I-10 tunnels.

The Intracoastal Waterway traverses South Baldwin County. It is 12 feet deep and accommodates all types of barge traffic. The waterway extends along the lower end of Mobile Bay and Gulf Coast for 1,100 miles. An extensive system of Alabama inland waterways, with docking facilities, is tributary to the Port of Mobile, permitting barge traffic as far north as Birmingham.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

APPENDIX C

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

CITY OF DAPHNE, ALABAMA
ORDINANCE 2023-35

ADOPTING THE FISCAL YEAR 2024 BUDGET

WHEREAS, the Mayor of the City of Daphne has submitted to the City Council a budget for Fiscal Year 2024 which begins October 1, 2023 and ends September 30, 2024 (the "FY24 Operating Budget"); and

WHEREAS, the City Council has reviewed and considered such proposed budget; and

WHEREAS, the City Council believes that the attached proposed budget is a viable spending plan for the City during the next fiscal year;

WHEREAS, the City's procedures require the adoption of the budget by Ordinance; and

WHEREAS, if the amounts budgeted for departmental operating items or purposes are not required to be utilized for such items or purposes, then upon written approval by the Mayor or the Finance Director, these amounts may be expended for other departmental items or purposes, provided that the total amount of the adopted operating budget is not exceeded; and

WHEREAS, the Mayor is authorized to approve all applications for grants during the fiscal year with the understanding that grant awards requiring an additional appropriations will be presented to Council for approval.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, that the *FY2024 Budget* in which the General Fund revenues exceed appropriations in the amount of $181 *(All Funds - $1,362,753)* which includes total new Personnel and Personnel upgrades of $601,723 and Capital $4,403,847 (*All Funds - $4,878,847*) as attached hereto and made a part hereof;

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DAPHNE, ALABAMA, THIS __ day of ____________, 2023.

____
Robin LeJeune, Mayor

ATTEST:

____
Candace Antinarella, CMC, City Clerk

All Funds Budget Summary
Fiscal Year 2024

	General Fund	Enterprise Funds: Solid Waste	Enterprise Funds: Civic Center	Debt Service Fund	Special Revenues Fund	Capital Reserve Fund	TOTAL
Sales, use and luxury tax	26,284,500	-	-	-	2,856,349	-	29,140,849
Ad valorem taxes	9,359,500	-	-	-	-	-	9,359,500
Business licenses	2,965,000	-	-	-	-	-	2,965,000
Permits	911,275	-	-	-	-	-	911,275
PILOT Taxes	2,625,000	-	-	-	-	-	2,625,000
Fines and forfeitures	326,000	-	-	-	158,500	-	484,500
Intergovernmental	496,662	-	-	-	33,000	250,000	779,662
Charges for services/rental income	867,100	1,920,000	384,000	-	239,500	-	3,410,600
Grants	16,953	-	-	-	16,500	-	33,453
Contributions and donations	8,752	-	-	-	-	-	8,752
Interest / investment earnings	125,000	-	-	-	1,750	15,500	142,250
Miscellaneous	85,000		-		-		85,000
Total Estimated Revenues	44,070,742	1,920,000	384,000	-	3,305,599	265,500	49,945,841
Payroll and Related Costs	24,308,690	1,195,065	374,808	-	28,105	-	25,906,668
Merit Increases	250,000	-	-	-	-	-	250,000
Employee Raises (.50/hr) - COLA effective 10/5/2023	459,199	-	-	-	-	-	459,199
Employee Longevity Pay	67,987	-	-	-	-	-	67,987
Personnel	25,085,876	1,195,065	374,808	-	28,105	-	26,683,854
General Government	2,908,161	-	-	-	906,422	500	3,815,083
Public Safety	2,209,830	-	-	-	45,500	-	2,255,330
Public Works	2,455,110	1,745,890	-	-	-	-	4,201,000
Recreation and Culture	1,726,052	-	350,750	-	53,000	-	2,129,802
Operating	9,299,153	1,745,890	350,750	-	1,004,922	500	12,401,215
New Capital	4,403,847	-	-	-	175,000	300,000	4,878,847
New Personnel	393,839	-	-	-	-	-	393,839
Personnel Upgrades	207,884	-	-	-	-	-	207,884
Debt Service	-	-	-	4,017,449	-	-	4,017,449
Transfers To/From Other Funds:							
Transfers To Other Funds	(4,679,962)	-	-	-	(700,000)	-	(5,379,962)
Transfers From Other Funds	-	1,020,955	341,558	4,017,449	-	-	5,379,962
	(4,679,962)	1,020,955	341,558	4,017,449	(700,000)	-	-
Total Estimated Revenues (Over) Under Appropriations	**181**	**-**	**-**	**-**	**1,397,572**	**(35,000)**	**1,362,753**

Summary of FY 2024 Capital Budget Requests - MAYOR APPROVED

Description	Acquisition Type	Total Request	Total Funded	Funding Source
Executive:				
Centennial Celebration for 2027 - 2 of 5 down payment	Purchase	50,000	50,000	General Fund
Planning:				
Revision of Land Use Ordinance - Comprehensive Plan	Purchase	150,000	125,000	General Fund
Legislative:				
CivicClerk Software Package	Purchase	6,491	6,491	General Fund
Public Safety:				
Police				
Jail Switchboard/Locking System Replacement - Remaining Appropriation	Purchase	84,536	84,536	General Fund
Replacement of Toilet/Sink Combinations in Jail	Purchase	10,000	10,000	General Fund
5 Tahoes and 1 Truck - Automatic Rotation	Purchase	348,600	348,600	General Fund
Subtotal		443,136		
Fire				
New Fire Trucks (3)	Lease	3,500,000	325,000	General Fund
Replacement of Holmatro Extrication Tools	Purchase	40,000	40,000	General Fund
Station #2 Parking Lot/Retaining Wall Repairs	Purchase	18,000	18,000	General Fund
Lifescan Health and Wellness Physicals for Employees	Purchase	43,620	43,620	General Fund
Subtotal		3,601,620		
Public Works:				
Building Maintenance:				
F250 Service Body Truck, Replacement V#1129, 17 years	Purchase	72,000	72,000	General Fund
F250 Service Body Truck, Replacement V#1128, 17 years	Purchase	72,000	72,000	General Fund
Subtotal		144,000		
Administration:				
ADA Transition Plan - Phase 2	Purchase	132,600	132,600	General Fund
Streets:				
Asphalt Hot Box, Replacement V#1423, 12 years	Purchase	70,000	70,000	General Fund
Grounds:				
Ford F450 Crewcab Truck, Replacement V#1483, 10 years	Purchase	92,000	92,000	General Fund
Mowing:				
(2) Outfront Mowers - Automatic Rotation	Purchase	130,000	130,000	General Fund
Ford Van - Replacement V#1127, 17 yrs	Purchase	55,000	55,000	General Fund
Remote Control Slope Mower - Fleet Expansion	Purchase	70,000	70,000	General Fund
Subtotal		255,000		
PW Facilities:				
Pole Barn	Purchase	45,000	45,000	General Fund
IT:				
2023 Explorer, Replacement	Purchase	36,000	36,000	General Fund
Recreation:				
Reel Mower (Replace Current Lease)	Purchase	90,000	90,000	General Fund
F450 Truck, Replacement of 2013 F450)	Purchase	95,000	95,000	General Fund
JD 331G Skid Steer	Purchase	83,000	83,000	General Fund
Turf Vacuum	Purchase	37,500	37,500	General Fund
		305,500		
Senior Center/Library				
Additional Tables and Chairs for Outdoor Pavilion Area	Purchase	7,500	7,500	General Fund
Civic Center				
Outdoor Digital Display Monitor	Purchase	15,000	10,000	General Fund
Infrastructure:				
FY 24 Road Resurfacing	Purchase	1,025,000	1,025,000	General Fund
FY 24 Road Resurfacing	Purchase	175,000	175,000	10 Cent Gas Fund
FY 24 Road Resurfacing	Purchase	300,000	300,000	Capital Reserve
FY 24 Sidewalk Plan	Purchase	250,000	250,000	General Fund
Hwy 90 Resurfacing - ATRIP Grant Match	Purchase	250,000	250,000	General Fund
S Hwy 181 Gateway Sign	Purchase	25,000	22,000	General Fund
Daphne Sports Complex Pavement Failure Repair	Purchase	50,000	50,000	General Fund
Subtotal		2,075,000		
Facilities:				

Summary of FY 2024 Capital Budget Requests - MAYOR APPROVED

Description	Acquisition Type	Total Request	Total Funded	Funding Source
City Hall HVAC Replacements	Purchase	150,000	55,000	General Fund
Nicholson Center Exterior Door Replacement	Purchase	50,000	50,000	General Fund
Ruff Wilson Concesson/Bathroom Building Renovation	Purchase	30,000	30,000	General Fund
Lott Park Playground/Bocce Court Improvements/Basketball Court	Purchase	225,000	225,000	General Fund
Library Roof Restoration - Remaining Appropriation	Purchase	210,000	210,000	General Fund
Alphonse Park Parking Lot/Sidewalk Improvements	Purchase	20,000	20,000	General Fund
City Hall Parking Lot- Reseal and Restripe	Purchase	30,000	30,000	General Fund
Civic Center - Door Swipe System	Purchase	12,000	12,000	General Fund
Resurface Basketball Court - Alphonse Memorial Park	Purchase	10,000	10,000	General Fund
Resurface Basketball Court - Joe Patrick Park	Purchase	16,000	16,000	General Fund
Subtotal		753,000		
Total New Capital Requests:		**8,181,847**	**4,878,847**	

General Fund	4,403,847
Capital Reserve	300,000
Ten Cent Gas	175,000
	4,878,847

Summary of FY 2024 New Personnel Upgrade Requests

Description	Grade & Step	Increase Total Annual Salary	Total Annual Taxes and Benefits	Increase Total Annual Cost	FUNDED Hire Date	FY 2024 Cost
Specialized Certifications :						
Playground Inspector Yearly Stipend	N/A	5,000	978	5,978	10/1/2023	5,978
Fire Departmental Instructors Stipend	N/A	20,000	3,552	23,552	10/1/2023	23,552
Police Departmental Instructors Stipend	N/A	50,000	8,905	58,905	10/1/2023	58,905
Public Works Departmental Instructors Stipend	N/A	3,000	609	3,609	10/1/2023	3,609
Police Department:						
Upgrade Patrol Officer to Corporal	19 to 25	5,460	975	6,435	10/1/2023	6,435
Upgrade Patrol Officer to Corporal	19 to 25	5,460	975	6,435	10/1/2023	6,435
Upgrade Patrol Officer to Corporal	19 to 25	5,460	975	6,435	10/1/2023	6,435
Upgrade Patrol Officer to Corporal	19 to 25	5,460	975	6,435	10/1/2023	6,435
Upgrade Corrections Officer to Assistant Chief Correction Officer	13 to 16	4,914	877	5,791	10/1/2023	5,791
Upgrade (4) Telecommunicator I to Telecommunicator II (4)	13 to 15	16,640	2,968	19,608	10/1/2023	19,608
Name Change - Communication Officer to Telecommunicator 1	-	-	-	-	10/1/2023	-
Name Change - Chief Communication Officer to Chief Telecommunicator	-	-	-	-	10/1/2023	-
Fire Department:						
Upgrade Deputy Fire Marshal	25 to 28	7,280	1,293	8,573	10/1/2023	8,573
Upgrade Fire Marshal	28 to 31	7,259	1,289	8,548	10/1/2023	8,548
Municipal Court:						
Upgrade Court Magistrate I to Court Magistrate II	14 to 16	4,368	810	5,178	10/1/2023	5,178
Upgrade Court Magistrate Salary	Salary Change	2,870	578	3,448	10/1/2023	3,448
Recreation:						
Upgrade Field Maintenance Worker I to Equipment Operator	6 to 13	4,368	813	5,181	10/1/2023	5,181
Civic Center:						
Upgrade Event Operations Manager	20 to 22	6,240	1,161	7,401	10/1/2023	7,401
Senior Center:						
Upgrade Office Asst. to Admin Support Specialist	6 to 9	3,224	701	3,925	10/1/2023	3,925
Upgrade SAIL Site Assistant	2 to 4	3,016	665	3,681	10/1/2023	3,681
Engineering:						
Upgrade Site Compliance Inspector 1	20 to 21	5,581	939	6,520	10/1/2023	6,520
Human Resources:						
Upgrade Sr HR Specialist to Safety Coordinator	20 to 22	5,751	888	6,639	10/1/2023	6,639
Upgrade Sr HR Specialist	20 to 22	4,857	750	5,607	10/1/2023	5,607
Total Personnel Costs - ALL FUNDS		**176,208**	**31,676**	**207,884**		**207,884**