

**FACT SHEET**

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<u>Title</u>	<u>Date</u>	<u>Originating Department</u>
<b>A SUPPLEMENTAL ORDINANCE AMENDING AND SUPPLEMENTING RESOLUTION NO. 131 OF 1984 (THE “GENERAL BOND RESOLUTION”) ADOPTED ON JUNE 12, 1984, AS AMENDED, ACKNOWLEDGING AND APPROVING THE ISSUANCE OF NOT EXCEEDING \$5,000,000 PRINCIPAL AMOUNT OF TAXABLE UTILITY REVENUE BONDS (LDEQ SEWER PROJECT), SERIES 2013, OF THE CITY OF SHREVEPORT, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF RESOLUTION NO. 95 OF 2012 ADOPTED ON MAY 22, 2012, AS AMENDED BY RESOLUTION NO. 17 OF 2013 ADOPTED ON FEBRUARY 12, 2013; APPROVING AND CONFIRMING THE SALE OF SUCH BONDS; PLEDGING REVENUE OF THE SYSTEM TO SECURE SUCH BONDS; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.</b>	<b><u>July 3, 2013</u></b>	Department of Operational Services
		<b><u>Sponsor</u></b> Same

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Purpose

This ordinance would amend and supplement Resolution No. 131 of 1984 (the “General Bond Resolution”) and acknowledge, authorize and approve the issuance of not exceeding \$5,000,000 principal amount of Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013 of the City of Shreveport, State of Louisiana and provide for other matters in connection therewith.

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Background Information

On June 12, 1984, the Shreveport City Council adopted Resolution No. 131 of 1984 (the “General Bond Resolution”). The resolution authorized the issuance, from time to time, of Water and Sewer Revenue Bonds and the pledge of revenues of the City derived from the operation of a revenue-producing public utility system composed of a combined waterworks

plant and system and sewer plant and system (the “System”) on the terms and conditions set forth in the General Bond Resolution.

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This ordinance would amend and supplement Resolution No. 131 of 1984 (the “General Bond Resolution”) and acknowledge, authorize and approve the issuance of not exceeding \$5,000,000 principal amount of Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013 of the City of Shreveport, State of Louisiana and provide for other matters in connection therewith.

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Timetable:

Introduction: July 9, 2013

Final Passage: July 23, 2013

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Special Procedural Requirements

None

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Alternatives

1. Adopt the ordinance as presented.
2. Reject the ordinance.

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Conclusion Alternative Number 1 is recommended.

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FACT SHEET REVIEWED BY:

Terri Scott, City Attorney

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# ORDINANCE

adopted on July \_\_\_, 2013

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by the

Shreveport City Council

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authorizing the issuance of:

\$5,000,000

Taxable Utility Revenue Bonds  
(LDEQ Sewer Project) Series 2013  
of the City of Shreveport, State of Louisiana

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- EXHIBIT “A” - FORM OF BOND**
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AND LOAN AND PLEDGE AGREEMENT**
- EXHIBIT “C” - DESCRIPTION OF PROJECT**
- EXHIBIT “D” - PRIOR LIEN BONDS**

**ORDINANCE NO. \_\_\_\_ OF 2013**

The following Ordinance was offered by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**THIRTIETH SUPPLEMENTAL ORDINANCE**

**A SUPPLEMENTAL ORDINANCE AMENDING AND SUPPLEMENTING RESOLUTION NO. 131 OF 1984 (THE “GENERAL BOND RESOLUTION”) ADOPTED ON JUNE 12, 1984, AS AMENDED, ACKNOWLEDGING AND APPROVING THE ISSUANCE OF NOT EXCEEDING \$5,000,000 PRINCIPAL AMOUNT OF TAXABLE UTILITY REVENUE BONDS (LDEQ SEWER PROJECT), SERIES 2013, OF THE CITY OF SHREVEPORT, STATE OF LOUISIANA, IN ACCORDANCE WITH THE TERMS OF RESOLUTION NO. 95 OF 2012 ADOPTED ON MAY 22, 2012, AS AMENDED BY RESOLUTION NO. 17 OF 2013 ADOPTED ON FEBRUARY 12, 2013; APPROVING AND CONFIRMING THE SALE OF SUCH BONDS; PLEDGING REVENUE OF THE SYSTEM TO SECURE SUCH BONDS; PRESCRIBING THE FORM, AND CERTAIN TERMS AND CONDITIONS OF SAID BONDS; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.**

**WHEREAS**, the City of Shreveport, State of Louisiana (the "Issuer") now owns and operates a revenue-producing public utility composed of a combined waterworks plant and system and sewer plant and system (the "System"); and

**WHEREAS** the City adopted Resolution No. 131 of 1984 (the “General Bond Resolution”) on June 12, 1984, as amended and supplemented, authorizing the issuance from time to time of Water and Sewer Revenue Bonds and pledge of revenues of the City derived from the System on the terms and conditions set forth in the General Bond Resolution; and

**WHEREAS**, pursuant to Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (LSA-R.S. 39:1011, *et seq.*), other constitutional and statutory authority (the "Act"), a public hearing held on April 23, 2013 pursuant to a Notice of Intention to issue Bonds dated May 22, 2012, and as amended February 12, 2013, and the aforesaid General Bond Resolution, it is the desire of this City Council of the City (the “Governing Authority”) to provide for the issuance of Taxable Utility Revenue Bonds of the Issuer, for the purpose of constructing and acquiring of improvements, extensions and replacements to the sewer portion of the System, and paying the costs of issuance thereof; and

**WHEREAS**, the Issuer currently has outstanding notes, bonds or other obligations issued pursuant to the General Bond Resolution and various supplemental bond resolutions and ordinances, which are payable from a pledge and dedication of the income and revenues of the System but has sufficient income from the System to pay the bonds proposed by this Ordinance in accordance with their proposed terms and conditions as well as pay all other outstanding notes, bonds or other obligations in accordance with their respective terms and conditions; and

**WHEREAS**, it is now the desire of this Governing Authority to authorize the issuance of not exceeding \$5,000,000 Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013 (the "Bonds") of the Issuer, for the purpose of paying the cost of upgrades to the sewer portion of the System, which are "Capital Costs" as defined in the General Bond Resolution, and paying Costs of Issuance, as defined in the General Bond Resolution (collectively, "Costs of the Project");

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Shreveport, State of Louisiana, acting as the governing authority of the Issuer, that:

SECTION 1. Definitions. In addition to words and terms elsewhere defined herein and in the General Bond Resolution, the following words and terms shall have the following meanings as used in this Ordinance, unless some other meaning is plainly intended:

**"Administrative Fee"** means, with respect to the Bonds and any other bonds purchased by the Department from the State Loan Fund, the annual fee equal to one-half of one percent (0.5%) per annum of the outstanding principal amount of such bonds, or such lesser amount as the Department may approve from time to time, which shall be payable each year in two equal semi-annual installments on each Interest Payment Date.

**"Bonds"** shall mean the Issuer's Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013 authorized to be issued by this Ordinance and particularly by Section 2 hereof.

**"Costs of the Project"** shall have the meaning set forth in the final preamble paragraph in this Ordinance.

**"Delivery Date"** means the date on which the Bonds are delivered to the Department.

**"Department"** means the Louisiana Department of Environmental Quality, an executive department and agency of the State, and any successor to the duties and functions thereof.

**"Executive Officers"** means the Mayor, Chief Administrative Officer, Director of Finance, and/or the Clerk of the City.

**"General Bond Resolution"** means the General Bond Resolution described in the preambles hereof.

**"Loan Agreement"** means the Loan and Pledge Agreement to be entered into by and between the Department and the Issuer, prior to the delivery of the Bonds, which will contain certain additional agreements relating to the Bonds and any other series of bonds purchased by the Department from the State Loan Fund, which Loan Agreement shall be in substantially the form attached hereto as **Exhibit "B"**, as it may be supplemented, modified or amended from time to time in accordance with the terms thereof.

**"Paying Agent"** with respect to the Bonds means the chief financial officer of the Issuer or his authorized agent as defined in the Loan Agreement, unless and until a successor Paying Agent shall have assumed such responsibilities pursuant to the Loan Agreement.

**"Ordinance" or "Thirtieth Supplemental Ordinance"** means this ordinance authorizing the issuance of the Bonds, as adopted on \_\_\_\_\_, 2013.

**"Prior Lien Bonds"** means the previously issued Bonds secured by the Revenues of the System as set forth as **Exhibit "D"**.

**"State Loan Fund"** means the Clean Water State Revolving Fund established by the State of Louisiana, pursuant to subchapter II Chapter 14 of Title 30 of the Louisiana Revised Statutes of 1950, as amended (LSA-R.S. 30:2301, *et seq.*) in the custody of the Department, which is to be used for the purpose of providing financial assistance for the improvement of waste water treatment systems in the State, as more fully described in LSA-R.S. 30:2302.

SECTION 2. Authorization of the Bonds. (a) In compliance with and under the authority of the Act and the General Bond Resolution, there is hereby authorized the incurring of an indebtedness of Five Million and No/100 Dollars (\$5,000,000) for, on behalf of and in the name of the Issuer, and to represent the indebtedness, this Governing Authority does hereby authorize the issuance of Five Million and No/100 Dollars (\$5,000,000) of Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013, of the Issuer. The Bonds shall be serial bonds, and the exact principal amount of the Bonds, \$5,000,000 as stated above, shall be determined by the Executive Officers at the time of delivery of the Bonds. The Bonds shall be issued as "Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013", the proceeds of which shall be used to finance Costs of the Project and expenditures which are to be purchased by the Department.

As provided in Article V of the General Bond Resolution, the Bonds, equally with the Prior Lien Bonds, shall be secured by a pledge and dedication of the Revenues of the System, subject only to the payment of the reasonable and necessary expenses of operating and maintaining the System.

(b) The Bonds shall be issued for the purpose paying the costs of the construction and acquiring of improvements, extensions and replacements to the sewer portion of the System, as further set forth in **Exhibit "C"** hereto and paying costs of issuance.

(c) The Bonds shall be dated the Delivery Date, and the Bonds shall mature in twenty (20) installments of principal, payable annually on each December 1, and each annual installment shall be the applicable percentage shown in the Bond Form attached hereto as **Exhibit "A"**, rounded to the nearest \$1,000, of the outstanding principal amount of the Bonds on the day before the applicable Principal Payment Date.

In the event that the completion of the Project being financed with the Bonds is after June 30, 2014, the principal payment schedule set forth in the Bond may be adjusted so that each payment shall be due on the December 1 that is not more than one year after the completion date, provided that in no event shall the final principal payment be more than twenty-two (22) years from the Delivery Date.

(d) The Bonds shall be current interest serial bonds and the Interest Payment Dates shall be paid semi-annually on June 1 and December 1 of each year. The Bonds shall bear interest at the

rate of forty-five hundredths of one percent (0.45%) per annum, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months and payable on each Interest Payment Date, or such lower rate as may be in effect for loans from the State Loan Fund at the time of delivery. In addition to interest at the rate set forth above, at any time that the Department owns the Bonds the Issuer will pay the Administrative Fee to the Department on each Interest Payment Date. In the event (i) the Department owns any Bonds or the Department has pledged or assigned any Bonds in connection with its Clean Water State Revolving Fund and (ii) the Administrative Fee payable by the Issuer to the Department under the terms of the Loan Agreement is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, the interest rate borne by the Bonds shall be increased by one-half of one percent (0.50%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

(e) The Bonds shall be issued as a single fully-registered bond, initially numbered R-1. The Bonds shall be executed in the manner provided for in Section 310 of the General Bond Resolution, however inasmuch as there is no Trustee the Bonds need not be so authenticated if manual signatures of the Executive Officers signing the Bonds are used.

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

(g) The principal installments of the Bonds are subject to prepayment at the option of the Issuer at any time, in whole or in part, at a prepayment price of par plus accrued interest and accrued Administrative Fee, if any, to the prepayment date and in such case the remaining principal of the Bonds shall continue to mature in installments calculated using the percentages described in Section 2(c) above and in the Form of Bond.

(h) There are no mandatory retirement payments on the Bonds, within the meaning of the General Bond Resolution.

(i) There are no Invested Sinking Fund Payments within the meaning of the General Bond Resolution;

(j) The Bonds are hereby awarded to and sold to the Department at a price of par plus accrued interest, if any, under the terms and conditions set forth in the Loan Agreement, and after their execution and authentication by the Paying Agent, the Bonds shall be delivered to the Department or its agents or assigns, upon receipt by the Issuer of the agreed purchase price. Pursuant to the Act and LSA-R.S. 39:1426(B), the Issuer has determined to sell the Bonds at a private sale without the necessity of publishing any notice of sale.

(k) The Bonds shall be in substantially the form attached hereto as **Exhibit "A"**, together with such changes as are approved by Bond Counsel to the Issuer.

(l) No proceeds of the Bonds shall be deposited into the Reserve Fund, however upon the delivery of the Bonds the Issuer shall establish the "Series 2013 Account" in the Reserve Fund and shall cause the Reserve Fund Requirement to be deposited to said account within five (5) years after the Delivery Date.

(m) No proceeds of the Bonds will be used to refund any outstanding obligations.

(n) The Executive Officers are each hereby empowered, authorized and directed to do any and all things necessary and incidental to carry out all of the provisions of the Ordinance, to execute and deliver the Loan Agreement, and to cause the Bonds to be prepared and/or printed, to issue, execute and seal the Bonds and to effect delivery thereof as hereinafter provided. In connection with the issuance and sale of the Bonds, the Executive Officers and the chief financial officer of the Issuer are each authorized, empowered and directed to execute on behalf of the Issuer such additional documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by this Ordinance. The signatures of said on such documents, certificates and instruments shall be conclusive evidence of the due exercise of the authority granted hereunder.

(p) It is recognized that the Issuer will not be required to comply with the continuing disclosure requirements described in the Rule 15c2-12(b) of the Securities and Exchange Commission [17 CFR §240.15c2-12(b)], because (i) the Bonds are not being purchased by a broker, dealer or municipal securities dealer acting as an underwriter in a primary offering of municipal securities, and (ii) the Bonds are being sold to only one financial institution (i.e., no more than thirty-five persons), which has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment in the Bonds and is not purchasing the Bonds for more than one account or with a view to distributing the Bonds.

(q) Application has been made to the State Bond Commission, Baton Rouge, Louisiana, and final approval granted for the issuance of the Bonds by the Issuer within the parameters set forth in this section. By virtue of the Issuer's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set forth herein, it resolves that the Issuer understands and agrees that such approval(s) are expressly conditioned upon, and it further resolves that it understands, agrees and binds itself, its successors and assigns, to full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.", adopted by the State Bond Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancement(s) covered thereby.

(r) The Commitment Agreement and Loan Agreement, in substantially the forms attached hereto as **Exhibit "B"**, are hereby approved, and the Mayor, Director of Finance, and the Clerk are authorized to execute and deliver the aforesaid documents on behalf of the Issuer, with such changes as may be deemed necessary, upon the advice of Bond Counsel, in connection with the Bonds.

SECTION 3. Deposit of Proceeds. The proceeds of the Bonds shall be deposited, upon receipt by the Issuer, into a construction fund to be established pursuant to the General Bond Resolution to pay Costs of the Project, or to reimburse the Issuer for Costs of the Project.

SECTION 4. Davis-Bacon Wage Rate Requirements. The Issuer agrees that all laborers and mechanics employed by contractors and subcontractors on the portion of the Project that is funded in whole or in part with the Bonds shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality of the Issuer as determined by the Secretary of the United States Department of Labor ("DOL") in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code. DOL provides all pertinent information related to compliance with the foregoing requirements, including prevailing wage rates and instructions for reporting. The Issuer will ensure that all construction contracts relating to the portion of the Project that is funded in whole or in part with the Bonds will require that the contractor comply with the aforesaid wage and reporting requirements. This section shall not apply to "force account" work where the Issuer may perform construction work using its own employees rather than any contractor or subcontractor.

SECTION 5. Prohibited Uses. None of the proceeds of the Bonds shall be used for the purchase of land or any interest in land, including without limitation any easement, servitude or leasehold interest, as authorized by section 603(c) of the Federal Water Pollution Control Act.

SECTION 6. Parties Interested Herein. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Issuer, the Paying Agent and the Owners of the Bonds any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, the Paying Agent and the Owners of the Bonds.

SECTION 7. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Ordinance against any member of the Governing Authority or officer of the Issuer or any person executing the Bonds.

SECTION 8. Successors and Assigns. Whenever in this Ordinance the Issuer is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Ordinance contained by or on behalf of the Issuer shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

SECTION 9. Severability. In case any one or more of the provisions of this Ordinance or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Ordinance or of the Bonds, but this Ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of this Ordinance which validates or makes legal any provision of this Ordinance or

the Bonds which would not otherwise be valid or legal shall be deemed to apply to this Ordinance and to the Bonds.

SECTION 10. Peremption. Pursuant to and in compliance with the provisions of LSA-R.S. 39:1011 *et seq.*, as amended, the Governing Authority held a public hearing on April 23, 2013, pursuant to a Notice of Intention to issue not exceeding FIVE MILLION AND NO/100 DOLLARS (\$5,000,000) Utility Revenue Bonds (LDEQ Sewer Project), (the “Public Hearing”). No petition of opposition was presented objecting to the issuance of the Bonds. The minutes of the Public Hearing were published on April 30, 2013 in the official journal of the City. No contest was received regarding the regularity, formality, legality or effectiveness of the resolution, any provisions of the Bonds to be issued, the provisions for the security and payment of the Bonds and the validity of all other provisions and proceedings relating to the authorization and issuance, for any cause whatsoever. It is conclusively presumed that the Bonds are legal and that every legal requirement for the issuance of the Bonds has been complied with.

SECTION 11. Effective Date. This Ordinance shall become effective as provided by the City Charter.

**ORDINANCE APPROVED**

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City Attorney's Office

Ordinance No. \_\_\_\_ of 2013

**July \_\_\_\_, 2013**

Read by title and as read motion by Councilman \_\_\_\_\_ seconded by Councilman \_\_\_\_\_ for Introduction. Approved by the following votes:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

**July \_\_\_\_, 2013**

Having passed first reading on June \_\_\_\_, 2013 was read by title and on as read by motion by Councilman \_\_\_\_\_ and seconded by Councilman \_\_\_\_\_ for adoption. Approved by the following votes:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

\_\_\_\_\_  
Sam L. Jenkins, Jr., Chairman

Approved:

\_\_\_\_\_  
Cedric B. Glover, Mayor

Approved by the City Council \_\_\_\_\_

Approved by the Mayor \_\_\_\_\_

And Effective on \_\_\_\_\_

At 12:01 o'clock A.M.

\_\_\_\_\_  
Arthur G. Thompson, Clerk of Council

STATE OF LOUISIANA

PARISH OF CADDO

I, the undersigned Clerk of the City Council of Shreveport, Louisiana acting as the governing authority of the City of Shreveport, State of Louisiana (the “Issuer”), do hereby certify that the foregoing \_\_\_\_ (\_\_) pages constitute a true and correct copy of the proceedings taken by the Issuer on July \_\_\_\_\_, 2013:

**A Supplemental Ordinance amending and supplementing Resolution No. 131 of 1984 (the “General Bond Resolution”) adopted on June 12, 1984, as amended, acknowledging and approving the issuance of not exceeding \$5,000,000 principal amount of Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013, of the City of Shreveport, State of Louisiana, in accordance with the terms of Resolution No. 95 of 2012 adopted on May 22, 2012, as amended by Resolution No. 17 of 2013 adopted on February 12, 2013; approving and confirming the sale of such bonds; pledging revenue of the System to secure such bonds; prescribing the form, and certain terms and conditions of said Bonds; and providing for other matters in connection therewith.**

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the Issuer on this, the \_\_\_ day of July, 2013.

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Clerk of the City Council

SEAL

**EXHIBIT "A"**  
**To Bond Ordinance**

**[FORM OF BOND]**

**UNITED STATES OF AMERICA  
STATE OF LOUISIANA  
PARISH OF CADDO**

**TAXABLE UTILITY REVENUE BONDS  
(LDEQ SEWER PROJECT), SERIES 2013  
OF THE CITY OF SHREVEPORT, STATE OF LOUISIANA**

<u>Bond Number</u>	<u>Bond Date</u>	<u>Interest Rate</u>	<u>Principal Amount</u>
R-1	_____, 2013	0.45%	\$5,000,000

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

REGISTERED OWNER: Department of Environmental Quality (the "Department")

ATTN: Clean Water State Revolving Fund  
P. O. Box 4303  
Baton Rouge, LA 70821-4303

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

This Bond shall bear interest, payable semi-annually on December 1 and June 1 of each year, commencing December 1, 2013 (each, an "Interest Payment Date"), at the Interest Rate shown above, said interest to be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Bonds on any Interest Payment Date shall be payable only on the aggregate amount of the purchase price which shall have been paid theretofore, as noted on **Schedule A** hereto, and shall accrue with respect to each purchase price installment only from the date of payment of such installment.

If the Louisiana Department of Environmental Quality (the "Department"), is the registered owner of this Bond, the Issuer will additionally pay an Administrative Fee to the Department at the annual rate of one-half of one percent (0.5%) on the outstanding principal amount of the Bond, payable on each Interest Payment Date. In the event (i) the Department owns this Bond or the Department has pledged or assigned this Bond in connection with its Clean Water State Revolving Fund and (ii) the Administrative Fee payable to the Department is declared illegal or unenforceable by a court or an administrative body of competent jurisdiction, then the annual "Interest Rate" shown in the foregoing table and borne by this Bond shall be increased by one-half of one percent (0.5%) per annum, effective as of the date declared to be the date from which the Administrative Fee is no longer owed because of such illegality or unenforceability.

This Bond shall mature in twenty (20) installments of principal, payable annually on each December 1, and each annual installment shall be the applicable percentage shown in the following table, rounded to the nearest \$1,000, of the outstanding principal amount of Bonds on the day before the applicable Principal Payment Date:

SERIES 2013 BONDS

<u>Date</u> <u>(Dec. 1)</u>	<u>Percentage</u> <u>of Principal</u>	<u>Date</u> <u>(Dec. 1)</u>	<u>Percentage</u> <u>of Principal</u>
2015	4.564%	2025	9.580%
2016	4.827	2026	10.696
2017	5.120	2027	12.090
2018	5.448	2028	13.884
2019	5.817	2029	16.275
2020	6.235	2030	19.624
2021	6.712	2031	24.647
2022	7.264	2032	33.019
2023	7.907	2033	49.764
2024	8.667	2034	100.000

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

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

In the event a portion of this Bond is to be prepaid, this Bond shall be surrendered to the Director of Finance of the Issuer, as initial Paying Agent for the Bonds (the "Paying Agent"), who shall note the amount of such prepayment in the space provided therefor on **Schedule B** to this Bond. Official notice of such call of this Bond for prepayment shall be given by means of first class mail, postage prepaid by notice deposited in the United States Mail not less than thirty (30) days prior to the prepayment date addressed to the registered owner of this Bond to be prepaid at his address as shown on the registration books of the Paying Agent, which notice may be waived by any registered owner. The Issuer shall cause to be kept at the office of the Paying Agent a register in which registration of this Bond and of transfers of the Bonds shall be made as provided herein and in the Ordinance. This Bond may be transferred, registered and assigned only on such registration records of the Paying Agent, and such registration shall be at the expense of the Issuer.

This Bond represents the entire issue of bonds of the Issuer designated "Taxable Utility Revenue Bonds (LDEQ Sewer Project), Series 2013" aggregating in principal the sum of Five Million and No/100 Dollars (\$5,000,000) (the "Bonds"), the Bonds having been issued by the Issuer pursuant to a General Bond Resolution adopted by the governing authority of the Issuer on June 12, 1984, as amended and supplemented by a Thirtieth Supplemental Ordinance adopted by the governing authority of the Issuer on July \_\_\_\_\_, 2013, (the "Ordinance"), for the purpose of paying Costs of the Project, as defined in the Ordinance, consisting generally of improvements to the sewer portion of the Issuer's revenue-producing public utility composed of a combined waterworks plant and system and sewer plant and system (defined in the Ordinance and hereinafter referred to as the "System"), and paying costs of issuance, under the authority conferred by Part XIII, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended (LSA-R.S. 39:1011, *et seq.*), and other constitutional and statutory authority, pursuant to all requirements therein specified.

The Bonds, equally with the Issuer's Water and Sewer Revenue Bonds, previously issued as "Prior Lien Bonds" pursuant to the General Bond Resolution, are payable as to both principal and interest solely by a pledge of the revenues of the System, as more fully described in the Ordinance (the "System"), after there have been deducted therefrom the reasonable and necessary expenses of operating and maintaining the System (the "Net Revenues"). The Bonds constitute a borrowing solely upon the credit of said revenues of the System and do not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any constitutional or statutory limitation of indebtedness. Subject to the foregoing, the Net Revenues are irrevocably and irrevocably pledged in an amount sufficient for the payment of this Bond and the issue of which it forms a part in principal and interest as they shall respectively become due and payable, and for the other purposes set forth in the Ordinance. The Net Revenues shall be set aside in the funds and accounts described in the Ordinance and shall be and remain so pledged for the security and payment of the Bonds in principal and interest, and for all other payments provided in the Ordinance, until the Bonds shall be fully paid and discharged.

Subject to the additional provisions set forth in the Ordinance, the governing authority of the Issuer has covenanted and agreed and does hereby covenant and agree to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities furnished by the System, as shall be sufficient to provide for the payment of all reasonable and necessary expenses of operation and maintenance of the System, to provide for the payment of interest on and principal of all bonds or other obligations payable therefrom as and when the same shall become due and payable, for the creation of a reserves therefor, and for the provision of a reserve to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System. For a more complete statement of the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to the Ordinance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the certificate of registration hereon shall have been signed by the Paying Agent.

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

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual or facsimile signature of its Mayor, as countersigned by the Director of Finance and attested to by the Clerk of Council, and to be dated the date of delivery hereof and the Issuer's corporate seal to be impressed or imprinted hereon.

COUNTERSIGNED:

CITY OF SHREVEPORT  
STATE OF, LOUISIANA

By: \_\_\_\_\_  
Director of Finance

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
Clerk of Council

(SEAL)

**REGISTRATION RECORD**  
**TAXABLE UTILITY REVENUE BONDS**  
**(LDEQ SEWER PROJECT), SERIES 2013**  
**OF THE CITY OF SHREVEPORT, STATE OF LOUISIANA**

Name and Address Of Registered Owner	Date of Registration	Signature of Chief Financial Officer
Department of Environmental Quality Attn: Clean Water State Revolving Fund P. O. Box 4303 Baton Rouge, LA 70821-4303		

**SCHEDULE "A"**  
**SCHEDULE OF PURCHASE PRICE PAYMENTS**

**TAXABLE UTILITY REVENUE BONDS  
(LDEQ SEWER PROJECT), SERIES 2013  
OF THE CITY OF SHREVEPORT, STATE OF LOUISIANA**

No.	Date of Payment	Amount of Payment	Pursuant to Requisition No.	Cumulative Outstanding Principal Amount
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				



**EXHIBIT "B"**  
**To Bond Ordinance**

**FORMS OF COMMITMENT AGREEMENT  
AND LOAN AND PLEDGE AGREEMENT**

**EXHIBIT A**

**to Commitment Agreement**

**DESCRIPTION OF PROJECT  
AND PRELIMINARY PROJECT BUDGET**

**[TO BE FURNISHED BY CITY]**

**EXHIBIT B**

**to Commitment Agreement**

**FEES OF BOND COUNSEL TO THE DEPARTMENT**

1. At the option of the City, the Department's Bond Counsel, Adams and Reese LLP, will undertake to prepare all loan documentation, including the Loan Agreement, the Authorizing Ordinance, the Bonds, Non-Arbitrage Certifications and other documents and certificates, including the rendering of an opinion relating to the tax-exemption of interest on the Bonds, but not including any documentation relating to the acquisition, construction or installation of the Project. In such case, the fee of Department's Bond Counsel will not exceed the "Maximum Fee" shown in the applicable table below.

When the Bonds are in the form of general obligation bonds and the amount of the Bonds is:

<u>MORE THAN</u>	<u>BUT NOT MORE THAN</u>	<u>MAXIMUM FEE*</u>
Zero	\$405,000	1.5% of face amount of loan
\$405,000	\$810,000	\$6,075 plus 0.90% of all over \$405,000
\$810,000	\$1,350,000	\$9,720 plus 0.75% of all over \$810,000
\$1,350,000	\$2,700,000	\$13,770 plus 0.50% of all over \$1,350,000
\$2,700,000	\$6,750,000	\$20,520 plus 0.20% of all over \$2,700,000
\$6,750,000	\$13,500,000	\$28,620 plus 0.10% of all over \$6,750,000
\$13,500,000	--	\$35,370 plus 0.05% of all over \$13,500,000

When the Bonds are in any form other than general obligation bonds and the amount of the Bonds is:

<u>MORE THAN</u>	<u>BUT NOT MORE THAN</u>	<u>MAXIMUM FEE*</u>
Zero	\$1,350,000	1.5% of face amount of loan
\$1,350,000	\$2,700,000	\$20,250 plus 0.75% of all over \$1,350,000
\$2,700,000	\$6,750,000	\$30,375 plus 0.30% of all over \$2,700,000
\$6,750,000	\$13,500,000	\$42,525 plus 0.20% of all over \$6,750,000
\$13,500,000	--	\$56,025 plus 0.075% of all over \$13,500,000

\*Plus approved, reasonable and necessary travel and out-of-pocket expenses.

[EXHIBIT B CONTINUED ON NEXT PAGE]

2. Alternatively, the City may use its own counsel to prepare the Authorizing Ordinance, Bonds, Non-Arbitrage Certifications and opinion relating to the tax-exemption of interest on the Bonds. In such case, the Department's Bond Counsel, Adams and Reese, LLP, will be required to review all such documentation and the fee of Department's Bond Counsel will not exceed the "Maximum Fee" shown in the following table:

<u>MORE THAN</u>	<u>BUT NOT MORE THAN</u>	<u>MAXIMUM FEE*</u>
Zero	\$1,000,000	\$6,375
\$1,000,000	\$1,350,000	0.6375% of face amount of the Loan
\$1,350,000	\$2,700,000	\$8,606 plus 0.1875% of all over \$1,350,000
\$2,700,000	\$6,750,000	\$11,138 plus 0.1350% of all over 2,700,000
\$6,750,000	\$13,500,000	\$16,605 plus 0.06% of all over \$6,750,000
\$13,500,000	--	\$20,655 plus 0.0413% of all over \$13,500,000

\*Plus approved, reasonable and necessary travel and out-of-pocket expenses.

**EXHIBIT C-1**  
**to Commitment Agreement**

**FORM OF SITE CERTIFICATE**

**EXHIBIT C-2**

**to Commitment Agreement**

**FORM OF ENGINEER'S CERTIFICATE**

**EXHIBIT C-3**

**to Commitment Agreement**

**FORM OF CERTIFICATE REGARDING  
CROSS-CUTTING FEDERAL AUTHORITIES**



**EXHIBIT A**  
**to Loan and Pledge Agreement**

**DESCRIPTION OF PROJECT**

**EXHIBIT B**

**to Loan and Pledge Agreement**

**ESTIMATED PRINCIPAL REPAYMENT SCHEDULE**

**EXHIBIT C**  
**to Loan and Pledge Agreement**

**ESTIMATED COSTS OF THE PROJECT**

**EXHIBIT D**

**to Loan and Pledge Agreement**

**FORM OF REQUISITION**

**EXHIBIT E**  
**to Loan and Pledge Agreement**

**EXHIBIT "C"**  
**To Bond Ordinance**

**DESCRIPTION OF PROJECT**

**EXHIBIT “D”  
To Bond Ordinance**

**PRIOR LIEN BONDS**

1993B W&S
2001A DHH
2001B DHH
2001C DHH
2002A DEQ
2002B DEQ
2003A DEQ
2003B DEQ
2003A REF
2003B REF
2003C REF
2004A DEQ
2005A LCDA
2006A REF
2007 REV
2009A DHH
2009B DHH
2010C REV
2010D DEQ
2013 REV