

**Vestavia Hills
City Council Agenda
July 11, 2016
5:00 PM**

1. Call to Order
2. Roll Call
3. Invocation – Terry Ray
4. Pledge Of Allegiance
5. Candidates, Announcements and Guest Recognition
6. City Manager’s Report
7. Councilors’ Reports
8. Approval of Minutes –June 27, 2016 (Regular Meeting)

Old Business

9. Resolution Number 4850 - A Resolution Accepting A Bid For SHAC Phase II And Authorizing The City Manager To Execute And Deliver An Agreement For Said Construction (*public hearing*)
10. Resolution Number 4851 - A Resolution Authorizing The Purchase And Installation Of Vinyl Flooring Planks And Removal Of Existing Flooring For The Community Room At The Vestavia Hills Library In The Forest (*public hearing*)

New Business

11. Resolution Number 4853 - A Resolution Approving An Alcohol License For Fuel South, LLC D/B/A Acton Road Encore; Rahim Budhwani, Executive (*Public Hearing*)
12. Resolution Number 4854 - A Resolution Approving An Alcohol License For Justjoe, LLC D/B/A Diplomat Deli; Justin Mcdavitt Gober And Joseph Edwin Hoskin, Executives (*Public Hearing*)
13. Resolution Number 4857 - A Resolution Authorizing The Mayor And City Manager To Enter Into A Remediation Agreement Regarding Property Located At 1756 Indian Creek Drive, Vestavia Hills, Alabama 35243
14. Ordinance Number 2676 – General Obligation Warrants; Series 2016 For The City Of Vestavia Hills, Alabama

New Business (Unanimous Consent Requested)

First Reading (No Action Taken At This Meeting)

15. Ordinance Number 2674 – Rezoning – 1280 Montgomery Highway; Rezone From Unzoned To Vestavia Hills B-2 (Business District); The Property Is Owned By The City Of Vestavia Hills And Is Presently Not Zoned (*public hearing*)
16. Ordinance Number 2675 – Conditional Use Approval – 4750 Sicard Hollow Road; Conditional Use For A Fleet Operations Facility With Major Mechanical Work; The Property Is Owned By The City Of Vestavia Hills And Is Zoned Vestavia Hills PUD (Planned Unit Development) Designated As PR-1, Planned Residential (*public hearing*)
17. Resolution Number 4855 - A Resolution Authorizing The City Manager To Appropriate Additional Funding To Meet Immediate Needs Of The Vestavia Hills Park And Recreation Department (*public hearing*)
18. Resolution Number 4856 – A Resolution Authorizing The City Manager To Reallocate Funding Within The Capital Funds Budget For Fiscal Year 2016 In Order To Purchase Servers For Financial Software (*public hearing*)
19. Citizens Comments
20. Motion For Adjournment

CITY OF VESTAVIA HILLS

CITY COUNCIL

MINUTES

JUNE 27, 2016

The City Council of Vestavia Hills met in regular session on this date at 5:00 PM. The Mayor called the meeting to order and the City Clerk called the roll with the following:

MEMBERS PRESENT:

Mayor Alberto C. Zaragoza, Jr.
Steve Ammons, Mayor Pro-Tem
George Pierce
John Henley

MEMBERS ABSENT:

Jim Sharp

OTHER OFFICIALS PRESENT:

Jeff Downes, City Manager
Patrick H. Boone, City Attorney
Rebecca Leavings, City Clerk
Dan Rary, Police Chief
Police Capt. Kevin York
Police Capt. Jason Hardin
Jimmy Coleman, Compliance Officer
Jim St. John, Fire Chief
Marvin Green, Deputy Fire Chief
Keith Blanton, Building Official
Scott Key, Fire Marshal
Brian Davis, Public Services Director
Melvin Turner, Finance Director
George Sawaya, Asst. City Treasurer
Christopher Brady, City Engineer

Invocation was given by David Harwell, followed by the Pledge of Allegiance.

ANNOUNCEMENTS, GUEST RECOGNITION, CANDIDATES

- Mr. Pierce welcomed Ann Hamiter who was in attendance representing the Chamber of Commerce. He reminded everyone of the I Love America Day beginning Thursday.

CANDIDATES

George Pierce introduced himself and announced that he is running for City Council in the upcoming municipal election.

Steve Ammons introduced himself and announced that he is running for City Council in the upcoming municipal election

Butch Zaragoza introduced himself and announced that he is running for Mayor in the upcoming municipal election

John Henley, introduced himself and announced that he is running for City Council in the upcoming municipal election in Place No. 1

CITY MANAGER'S REPORT

- Mr. Downes updated the Council on the newly created “projects” portion of the website. He showed the location of the items within the website and indicated these projects would be updated weekly when time permits. He encouraged everyone to utilize this information.
- Mr. Downes showed the Council some photographs of the “slide the city” event that happened this weekend. The final count was almost 2800 paid customers. It was a good community event.
- The Mayor stated that he and Mr. Downes met with the merchants for First Friday in Rocky Ridge and they were excited with the event. He reminded everyone that the next First Friday event will be held this coming Friday, July 1 with a shuttle scheduled to run.
- Mr. Downes stated that the Council wanted him to look into refinance options in order to lower interest rates. Low interest rates have been reviewed and then the City needs to be reviewed. The credit rating for the City remains at Moody’s AA-1 and Fitch AA-+, both with a stable outlook.
- The City has been working with multiple municipalities for improvements to Cahaba River Road. The project was delayed by Birmingham and Jefferson County. Mr. Downes stated he and the Mayor went to meet with officials from Jefferson County and they felt that a large segment could be done by their own crew to pave certain sections and offered to take the lead on the project. He stated he believes this will help to move the project forward.
- City Hall will be closed on the 4th of July in lieu of the holiday.
- Mr. Downes stated that July 21 is the predicted opening of the new Chick-Fil-A located at the former City Hall site. Mr. Downes explained the creation of a turning lane and a rear action out to Tyson Drive to route traffic to a rear location.

COUNCILORS' REPORTS

- The Mayor stated that Mr. Dave Belcher recently passed away. He indicated that Pat Linton and Bill Maddox were two other icons that recently passed away. The Community will miss these individuals greatly. He asked everyone to remember the families of these individuals in their prayers.

FINANCIAL REPORTS

Melvin Turner presented the financial reports for the month ending May 2016. He read and explained the balances.

Mr. Pierce asked about items purchased online.

The Mayor stated that many years ago the City worked with the USPS to ensure that residences in Vestavia Hills were

APPROVAL OF MINUTES

The minutes of June 13, 2016 (Regular Meeting) were presented for approval.

MOTION Motion to dispense with the reading of the minutes of June 13, 2016 (Regular Meeting) and approve them as presented was by Mr. Henley and second by Mr. Pierce. Roll call vote as follows:

Mr. Pierce – yes

Mr. Henley – yes

Mr. Ammons – yes

Mayor Zaragoza – yes

Motion carried.

NEW BUSINESS (continued)

RESOLUTION NUMBER 4848

Resolution Number 4848 – A Resolution Accepting The 2014-2015 Audit For The City Of Vestavia Hills, Alabama

MOTION Motion to approve Resolution Number 4848 was by Mr. Ammons and second was by Mr. Pierce.

Jason Harp, Carr, Riggs, and Ingram, presented the City Council with both the audit and a book of graphs. He explained the audit document along with any new significant changes in accounting standards.

Mr. Pierce asked if there were any areas of concern.

Mr. Harp stated that if they had detected any significant deficiencies or weaknesses, they'd report those. He stated that one area they focusing more on IT auditing and will continue to do so.

Mr. Ammons asked about the pension liability and asked if the upcoming line for retiree health insurance appear as a separate line item. Mr. Harp explained.

Mr. Henley asked about the incentive programs and how they appear in the audit. Mr. Harp explained how those are reflected within the audited numbers.

Discussion ensued concerning other areas of accounting throughout the audit and Mr. Harp answered the Council's questions.

The Mayor called for the question:

Mr. Pierce – yes

Mr. Henley – yes

Mr. Ammons – yes

Mayor Zaragoza – yes

Motion carried.

OLD BUSINESS

RESOLUTION NUMBER 4846

Resolution Number 4846 – A Resolution Ordering The Demolition Of A Building Or Structure Located At 1756 Indian Creek Drive, Vestavia Hills, Al 35243, Parcel Id# 28-00-20-4-004-015.000, In Compliance With Sections 11-40-30 Through 11-40-36, Sections 11-53b-1 Through 11-53b-16, Inclusive, Of The Code Of Alabama, 1975, And In Compliance With Ordinance Number 2382 Of The City Of Vestavia Hills, Alabama; And Calling For The City To Cause Said Demolition To Be Performed And Directing The City Attorney And The City Clerk To Cause The Cost Of Such Demolition To Be Charged Against The Land On Which The Building Or Structure Exists As A Municipal Lien Or Cause Such Cost To Be Recovered In A Suit At Law Against The Owner Or Owners (*Public Hearing*)

MOTION Motion to approve Resolution Number 4846 was by Mr. Henley and second was by Mr. Pierce.

Mr. Downes introduced Ben Goldman, of Hand Arendall to explain this Resolution.

Mr. Goldman stated that a booklet has been given to the Clerk and to the Council containing the lis pendens and photographs along with the municipal court order concerning the property.

The Mayor opened the floor for a public hearing.

Ms. Deborah Reinhardt, owner of the subject property, was present at the meeting.

Mr. Goldman asked Officer Jimmy Coleman about his investigation of the property.

Mr. Coleman explained debris in the yard, the driveway, etc. He stated he had received complaints from the neighbors concerning effect on their property, rodent infestation, etc. In September 2014 she was cited for sanitation and week ordinance in Vestavia Municipal Court. He stated it never came to trial; however, the defendant later plead guilty and was put on probation in 2016. During that time, there were no noticeable improvements on the property.

Keith Blanton explained his findings as Building Official during inspections of the structure. He stated he posted a copy of the lis pendens within 3' of the entrance to the property as well as three other places within the City. Notification was further provided through the Alabama Messenger and Officer Coleman personally served her with the required notice. He indicated to his findings that the structure is unsafe and due to be abated.

Mr. Goldman showed several photos of the property. Mr. Blanton explained the photographs along with the condition of the structure and the property along with infestation issues from rodents and insects.

Scott Key, Fire Marshal, explained several of the photographs and explained that there was no direct area for egress to/from the home and that the entrance was blocked with combustible materials. The downstairs corridors were also blocked with debris and more combustibles. He indicated these could increase fire causes as well as inhibits ingress/egress to/from the fire. When these items have water added to them, the loads to the floor might compromise the structure. The rear exit was also blocked along with all other exits and entrances within the structure.

Mr. Goldman, in summary, stated that the City has a history of 2 years of working with the owner and no progress has been made. The recommendation has been made to the Council to abolish the structure because of fire hazard, infestation and lack of structural integrity. He stated that a company has purchased the tax certificate and he needs to give them actual notice of this abatement. The owner has not only not maintained the property but allowed it to go to a tax sale for nonpayment of taxes.

Discussion ensued as to the extra step of the tax sale. Mr. Goldman explained.

Deborah Reinhardt, 1756 Indian Creek Drive, stated that she asked her son to move back to Birmingham and together they have done a lot of work in and around the

home. She indicated that this is a mental health issue. She stated this house is all she has and if she could get out of it with something, she would leave. She indicated that she was unaware of any tax sale and would cover the taxes if she could do so.

Rudolph Davidson, 1751 Indian Creek Drive, President of Abingdon Green Homeowners Association, introduced other members of the HOA who was also in attendance. He indicated he met with Officer Coleman a couple of years ago who has tried to work with her. He stated that he thanks the City Officials and their work to date at working toward helping this situation. He stated they hope whatever disposition occurs, that at least they won't have to continue to see this in their neighborhood.

Michelle Chaudry, 1769 Indian Creek Drive, stated that she is not harassing her neighbor, but she needs to understand that they have offered to help, but she has offered to help clean up the front porch and put it inside somewhere. It continued to accumulate throughout the years.

Mr. Goldman asked to have the opportunity to continue the public hearing until July 25 so he would have the opportunity to contact these other parties who have an interest in the property.

Discussion ensued as to the dates within the lis pendens; the responsibility to maintain the property; the equitable interest in the home versus the tax interest in the home; the terms of the lis pendens for remediation and to avoid demolition, etc.

The Mayor asked Ms. Reinhardt if she were going to try and redeem the tax sale of this home. Ms. Reinhardt stated she will try and redeem and will notify the building official once that's accomplished.

MOTION Motion to continue this Resolution Number 4846 to the regular meeting of the Vestavia Hills City Council scheduled for July 25, 2015 at 5:00 PM was by Mr. Pierce and second was by Mr. Henley. Voice vote as follows:
Mr. Pierce – yes Mr. Henley – yes
Mr. Ammons – yes Mayor Zaragoza – yes
Motion carried.

Mr. Henley asked Mr. Goldman to speak with the owner of the property and let her know what needs to be done to remediate the problem before she endeavors to redeem the tax sale so she can make an informed decision.

RESOLUTION NUMBER 4847

Resolution Number 4847 – A Resolution Authorizing The City Manager To Allow Use Of Overtime And The Hiring Of A Temporary, Part-Time Employee To Supplement Fire Department And Building Department Inspections (*public hearing*)

MOTION Motion to approve Resolution Number 4847 was by Mr. Ammons and second was by Mr. Pierce.

Mr. Downes explained that the city has had a tremendous increase in construction through the fiscal year and there has been a need for additional building and/or fire inspection services. Corresponding with these inspections, revenues have increased and he recommends using some of the surplus revenues to retain a part-time inspector and allow some temporary overtime for the utilization of Keith Blanton in overseeing internal construction projects throughout the city in an amount not to exceed \$32,000.

Chief St. John stated that the graph presented shows that the City is \$180,000 ahead of projected revenues. Now that they are at a minimum of 5 days for inspections, complaints have begun with the construction contractors. They currently use overtime to do follow-up inspections to help, but they best solution is to bring in a temporary part-time person and later hire a plans examiner to free up Keith for these inspections.

Discussion ensued and Mr. Pierce expressed concern on overtime of existing employees. He stated he is more inclined to retain temporary help and use less overtime. The inspections must be done and must be done properly.

The Mayor opened up the floor for a public hearing. There being no one to speak to the issue, the Mayor closed the public hearing and called for the question. Roll call vote as follows:

Mr. Pierce – yes	Mr. Henley – yes
Mr. Ammons – yes	Mayor Zaragoza – yes
	Motion carried.

NEW BUSINESS (continued)

RESOLUTION NUMBER 4849

Resolution Number 4849 - A Resolution Declaring A Weed And Other Vegetation Nuisance Pursuant To Ordinance Number 2567 And Directing The City Manager To Abate Said Nuisance (public hearing)

MOTION Motion to approve Resolution Number 4849 was by Mr. Henley and second was by Mr. Pierce.

Mr. Downes explained that this is a weed abatement request and referred it to Officer Coleman.

Officer Coleman stated this property is 4004 North Cahaba Drive. The Council abated the growth on this property last year and it has regrown yet again. He stated that the owner is located out of state and refuses to discuss the property. However, Mr.

Coleman reported that he did speak with an individual who is looking at purchasing the home and only recently learned how to get in touch with the owner. However, that individual is not present tonight at the meeting. The home hasn't had any attention since the death of a family member at this home.

Mr. Pierce asked that a lien gets put on the home and is paid when the property sells.

The Mayor opened the floor for a public hearing. No one was present in regard to this issue. The Mayor closed the public hearing and called for the question:

Mr. Pierce – yes	Mr. Henley – yes
Mr. Ammons – yes	Mayor Zaragoza – yes
Motion carried.	

RESOLUTION NUMBER 4852

Resolution Number 4852 - A Resolution Authorizing And Directing The City Manager To Enter Into Two Agreements With EMS Management & Consultants, Inc.

MOTION Motion to approve Resolution Number 4852 was by Mr. Ammons and second was by Mr. Pierce.

Chief St. John explained that this changes the company that bills and collects the transport service fees because the original company went out of the business of billing. He stated that Chief Ray researched this and has found a company that the provider EMSMC was the most versed in working within Alabama and Alabama Medicaid. This is a budgeted item and they hope to see a bit of a cost savings in this service through this new company. Mr. Boone has reviewed these contracts and found no problems.

Mr. Boone concurred and stated that EMS is qualified to do business in Alabama. He stated he worked with Chief Ray and the company who were extremely professional and cooperative and did whatever revisions needed to get this before the Council.

Mr. Henley indicated this goes from a flat fee to a percentage based and Chief St. John agreed.

The Mayor he called for the question.

Mr. Pierce – yes	Mr. Henley – yes
Mr. Ammons – yes	Mayor Zaragoza – yes
Motion carried.	

FIRST READING (NO ACTION TO BE TAKEN AT THIS MEETING)

The Mayor stated that the following Resolutions and/or Ordinances will be presented at a public hearing at the Council's next regularly scheduled meeting on July 11, 2016 at 5 PM.

- Resolution Number 4850 - A Resolution Accepting A Bid For SHAC Phase II And Authorizing The City Manager To Execute And Deliver An Agreement For Said Construction (*public hearing*)
- Resolution Number 4851 - A Resolution Authorizing The Purchase And Installation Of Vinyl Flooring Planks And Removal Of Existing Flooring For The Community Room At The Vestavia Hills Library In The Forest (*public hearing*)

CITIZEN COMMENTS

None.

Bob Elliott introduced himself and stated that he is running for City Council.

At 7:15 PM, Mr. Pierce made a motion to adjourn; seconded by Mr. Ammons. Meeting adjourned at 7:15 PM.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

Rebecca Leavings
City Clerk

RESOLUTION NUMBER 4850

A RESOLUTION ACCEPTING A BID FOR SHAC PHASE II AND AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER AN AGREEMENT FOR SAID CONSTRUCTION

WHEREAS, on March 9, 2016, bids were opened and publicly read for the Sicard Hollow Athletic Complex (SHAC) Park Improvements for a trail, HNP C013060; and

WHEREAS, on March 28, 2016, by way of Resolution Number 4813, the City Council approved the bid submitted by CB&A; and

WHEREAS, the City Council approved Resolution Number 4813 with the understanding that a portion of the work would be donated, which did not materialize; and

WHEREAS, the City Council hereby rescinds Resolution Number 4813; and

WHEREAS, on May 25, 2016, bids were opened and publicly read for the Sicard Hollow Athletic Complex (SHAC) Park Improvements, HNP C013060; and

WHEREAS, two bids were received and detailed as follows: (1) CB&A base bid in the amount of \$771,848 with alternates for a total of \$1,622,380; and the (2) Pennington Group in the amount of \$844,475 with alternates for a total of \$1,548,214; and

WHEREAS, it was determined that CB&A did not have the proper contractor's license; and

WHEREAS, it was determined that only one bid submitted by the Pennington Group was in accordance with the terms, specifications and requirements of the bid; and

WHEREAS, the Mayor and City Council approved Resolution 4783 authorizing funding \$599,000 for the second phase of the Sicard Hollow Athletic Complex; and

WHEREAS, the Parks and Recreation Foundation will cover any and all costs above the \$599,000 in phases; and

WHEREAS, the Public Services Director, in an Interoffice Memorandum dated June 21, 2016, reviewed the bid submittal and recommended the acceptance of Pennington Group with the alternates for a total not to exceed \$1,548,214; and

WHEREAS, the City Manager concurs with the Public Services Director's recommendation of the acceptance of Pennington Group with the alternates for a total not to exceed \$1,548,214; and

WHEREAS, the Mayor and City Council find it is in the best interest of the public and accept said recommendation.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF VESTAVIA HILLS, ALABAMA, AS FOLLOWS:

1. The bid submitted by Pennington Group in an amount not to exceed \$1,548,214 is hereby accepted as submitted; and
2. Funding for said bid shall be derived from SHAC Improvement funding as approved in Resolution Number 4783 with the Parks and Recreation Foundation covering any and all cost above \$599,000 in phases; and
3. The City Manager is hereby authorized to execute and deliver said contract for construction following the written approval of the City Attorney; and
4. This Resolution Number 4850 shall become effective upon adoption and approval.

ADOPTED and APPROVED this the 11th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

Rebecca Leavings
City Clerk

**Vestavia Hills Public Services
1973 Merryvale Road
Vestavia Hills, Al 35216**

INTEROFFICE MEMO

Date: June 21, 2016
TO: Jeff Downes
City Manager
From: Brian Davis
Public Service Director
RE: Sicard Hollow Phase II

In conjunction with the Vestavia Hills Parks and Recreation Foundation, invitations to bid were advertised for construction of Phase II of the SHAC passive park area. Bids were opened on May 25, 2016, at 10:00 am, and 2 bids were received as follows:

- CB&A base bid was \$771,848
- Pennington Group base bid was \$844,475
- CB&A base bid and all alternates was \$1,622,380
- Pennington Group base bid and all alternates was \$1,548,214

After the bids were received, it was determined that CB&A did not have the proper contractor's license, and they were disqualified, leaving Pennington Group as the lone bidder.

The city council authorized \$599,000 through resolution 4783. It is my recommendation to accept the Pennington Group bid with all alternates in coordination with the Parks and Recreation Foundation to cover any costs above \$599,000. If possible, I would like to present to the council for a first read on June 27, 2016 and approval on July 11, 2016.

On March 28, 2016, the council approved resolution 4813 for trail improvements at SHAC. We need to rescind this resolution as part of this work was going to be donated, but the logistics could not be worked out with the vendor. This work was folded into the bid prices above.

CC: Rebecca Leavings

BID TABULATION FORM

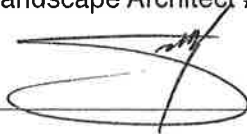
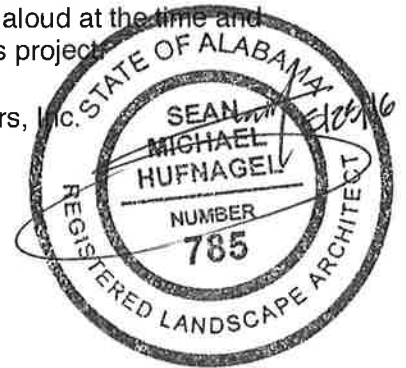
OPENING DATE AND TIME: 25 MAY 2016, 10:00 A.M.

SICARD HOLLOW ATHLETIC COMPLEX PARK IMPROVEMENTS
 PHASE 2
 CITY OF VESTAVIA HILLS
 Resolution Number 4850
 Exhibit A

	CB&A	PENNINGTON	
Addendum #1	/	✓	
Addendum #2	✓	✓	
License # on envelope	/	✓	
Bid Bond	✓	✓	
Proposal Attachment B (Unit Price Schedule)	✓	✓	
BASE BID	765,568.00 ^{+6,280} TO BASE	844,475.00	
Alternate No. 1 Stair	57,715	45,000	
Alternate No. 2 Landscape/Irr	73,388	75,000	
Alternate No. 3 Futsal	215,679	90,000	
Alternate No. 4 Wood Bridge	25,229	25,000	
Alternate No. 5 Wildflower	14,782.	5,000	

I certify that the above bids were received sealed and were publicly opened and read aloud at the time and place indicated and that this is a true and correct tabulation of all bids received for this project.

By: Sean Hufnagel., Registered Landscape Architect #785. Holcombe Norton Partners, Inc.

STATE OF ALABAMA COUNTY OF Jefferson

Subscribed and sworn to before me this 25th day of May, 2014. 2016

Notary Public: Kay Russon

My Commission Expires: November 18, 2016

CB&A

Amount	Item	Carried Total	
771,848	Base Bid	771,848	
187,234	Kompan	959,082	Playground and Fitness Equipment, Surface
113,000	Splash Pad	1,072,082	Materials and Install
83,505	Pavilion & Tables	1,155,587	Materials and Install
80,000	Arch/Eng Fees	1,235,587	
57,715	Stair ALT	1,293,302	
73,388	Landscape ALT	1,366,690	
215,679	Futsal ALT	1,582,369	
25,229	Bridge ALT	1,607,598	
14,782	Wildflower ALT	1,622,380	

Pennington Group

Amount	Item	Carried Total	
844,475	Base Bid	844,475	
187,234	Kompan	1,031,709	Playground and Fitness Equipment, Surface
113,000	Splash Pad	1,144,709	Materials and Install
83,505	Pavilion & Tables	1,228,214	Materials and Install
80,000	Arch/Eng Fees	1,308,214	
45,000	Stair ALT	1,353,214	
75,000	Landscape ALT	1,428,214	
90,000	Futsal ALT	1,518,214	
25,000	Bridge ALT	1,543,214	
5,000	Wildflower ALT	1,548,214	

RESOLUTION NUMBER 4851

A RESOLUTION AUTHORIZING THE PURCHASE AND INSTALLATION OF VINYL FLOORING PLANKS AND FOR THE REMOVAL OF THE EXISTING FLOORING FOR THE COMMUNITY ROOM AT THE VESTAVIA HILLS LIBRARY IN THE FOREST

WHEREAS, the Vestavia Hills Library in the Forest has analyzed the need for vinyl flooring planks in the Community Room; and

WHEREAS, the Vestavia Hills Library in the Forest has determined that there is a need for vinyl flooring planks designed for durability, to be waterproof and stain resistant; and

WHEREAS, the Vestavia Hills Library Foundation voted on June 14, 2016 for \$13,500 to be allocated from Fund 13/Donations for the purchase of the new flooring per City Council approval; and

WHEREAS, the Vestavia Hills Library in the Forest has requested that the expense of approximately \$13091.02 for purchase and installation of vinyl flooring planks and removal of the existing flooring be expensed to Fund 13/Donations; and

WHEREAS, the Director of the Vestavia Hills Library in the Forest in a letter dated June 20, 2016 (Exhibit A) recommended the approval of said purchase; and

WHEREAS, the City Manager has reviewed the request and has recommended the approval of said purchase; and

WHEREAS, the Mayor and City Council have concurred with the City Manager and feel it is in the best public interest to accept the request as presented and recommended by the City Manager.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vestavia Hills, Alabama, as follows:

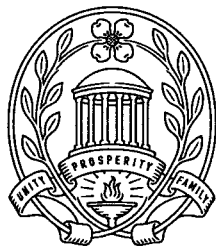
1. The City Manager is hereby authorized and directed to purchase the materials and installation of the vinyl flooring planks and for the removal of the existing flooring in the amount not to exceed \$13,091.02 to be expensed to Fund 13/Donations; and
2. This Resolution shall become effective immediately upon its approval and adoption.

APPROVED and ADOPTED this the 11th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

Rebecca Leavings
City Clerk



VESTAVIA HILLS

A LIFE ABOVE

ALBERTO C. ZARAGOZA, JR.
Mayor

TANEISHA YOUNG TUCKER
Library Director

June 20, 2016

FROM: Taneisha Tucker, Library Director

TO: Jeff Downes, City Manager

CC: Rebecca Leavings, City Clerk

RE: Request Approval to Purchase Vinyl Flooring for the Library's Community Room

In 2015, the library offered 687 programs in which more than 21,000 patrons attended. Many of these programs were hosted in the library's Community Room. In addition, more than 12,000 library patrons and visitors attended non-library sponsored programs and events that also took place in the space. As a result of the continuous use for the past six years, the carpet is now stained.

To replace the carpet, purchasing vinyl planks that are durable, waterproof and stain resistant is the best option. On June 14, 2016, the Library Board of Trustees approved that \$13,500 be allocated from Fund 13 / Donations for the purchase of new flooring per City Council approval. They also requested product prices and specifications from local vendors.

Per their instructions, I gathered and have attached the following quotes/estimates:

Shaw Native Origins Finish Cherry Vinyl Planks

Acton Flooring, Inc., Cahaba Heights - \$13,218.00 (7 year limited warranty)

Devine's Flooring America, Hoover - \$6562.89 (10 year warranty)

Moduleo Embellish Vinyl Planks

Devine's Flooring America, Hoover - \$13,091.02 (10 year warranty)

Coretec Plus Carolina Pine Vinyl Planks

Don's Carpet One, Vestavia Hills, Trussville, - \$12,238.95 (10 year warranty)

In addition to the price and warranty of each product, I also inquired about the durability of each option. The Moduleo vinyl was the most durable and was the best cosmetic match for the Community Room.

I asked representatives at Acton Flooring and Don's Carpet One if they carried the Moduleo product. Acton stated that they carried it, but did not locate a sample for it. Don's Carpet One did not carry the product and a comparable vinyl from Don's would be more expensive than the amount budgeted by the Library Board of Trustees.

Based on the information I received from the vendors along with observations and recommendations from members of the Library Board, I recommend that the Library purchase the Moduleo Embellish product from Devine's Flooring America.

The \$13,091.02 price includes materials, installation and removal of current flooring. If approved, the flooring will be ordered immediately and installed the week of August 08, 2016.

Thank you.



ACTON FLOORING, INC.

PRICE QUOTE

Date: July 20, 2015

TO: Vestavia Hills Library in the Forest

Attn: Taneisha Young Tucker

FROM: Jeff Porterfield,

RE: Flooring Renovation

~ Acton Flooring, Inc. agrees to furnish & install:

Shaw Contract "Native Origins" color 840 Cherry

TOTAL.....\$13,218.00

**** Furniture to be moved by owner**

****Subject to inspection of space ****

Quote

6/14/16

Devine's Flooring America
1553 Montgomery Hwy
Hoover, Alabama 35216
205-942-1163

Project:
Vestavia Library Community Room
1221 Montgomery Hwy
Vestavia, AL
35216

Moduleo Embellish	2115.75 sq.ft. @ 4.89	10,346.02
Vinyl Plank Labor	2000 sq.ft. @ 1.00	2,000.00
Rubber Reducer	1 @ 15.00	15.00
1/4round stained to match	200 lin.ft. @ 1.50	300.00
Take up existing Carpet	215 sq.yds. @ 2.00	430.00
	TOTAL	13,091.02

Quote

6/14/16

Devine's Flooring America
1553 Montgomery Hwy
Hoover, Alabama 35216
205-942-1163

Project:

Vestavia Library Community Room
1221 Montgomery Hwy
Vestavia, AL
35216

Shaw Native Origins 0116V	2121.05 sq.ft. @	1.89	
3,817.89			
Vinyl Plank Labor	2000 sq.ft. @	1.00	2,000.00
Rubber Reducer	1 @	15.00	15.00
1/4round stained to match	200 lin.ft. @	1.50	300.00
Take up existing Carpet	215 sq.yds. @	2.00	430.00
	TOTAL		6,562.89

DON'S CARPET ONE
DIV. OF DIVERSIFIED SALES, INC
3541 VANN ROAD
BIRMINGHAM, AL 35235
Telephone: 205-508-5859 Fax: 205-655-8722

ES602239

QUOTE

Sold To
VESTAVIA HILLS LIBRARY 1221 MONTGOMERY HIGHWAY VESTAVIA, AL 35216

Ship To
VESTAVIA HILLS LIBRARY 1221 MONTGOMERY HIGHWAY VESTAVIA, AL 35216

Quote Date
06/08/16

PHONE #
205-978-0161

PO Number

Quote Number
ES602239

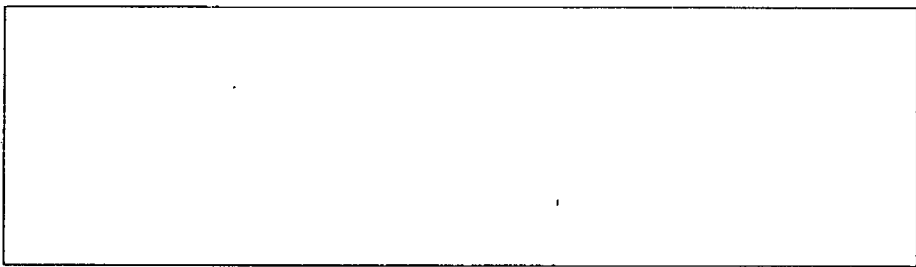
Inventory	Style/Item	Color/Description	Quantity	Price	Extension
CG-COPL	CORETEC PLUS - 5"X48"	CAROLINA PINE	1,947.64	3.99	7,771.08
LVTPCO	LVT OR LVP CLICK/OCCUPIED		1,947.00	1.75	3,407.25
CTUGD	CPT TAKE UP GLUE DOWN		1,925.00	0.29	558.25
EVF81	ENVIRONMENTAL FEE		1.00	79.37	79.37
1/4ROUND-P	QUARTER ROUND	PINE	180.00	1.49	268.20
HISM	HWD INSTALL SHOE MOLD, 1/4 ROUND, FILL HOLES, STAIN ENDS-PUTTY		180.00	0.86	154.80

Based on a 35' X 55' Room

— 06/08/16 — 11:35AM —

Sales Representative(s):
JESSE

Material: 8,039.28
 Service: 4,199.67
 Misc. Charges: 0.00
 Sales Tax: 0.00
 Misc. Tax: 0.00



QUOTE TOTAL: \$12,238.95

RESOLUTION NUMBER 4853

**A RESOLUTION APPROVING ALCOHOL LICENSE
FOR FUEL SOUTH LLC D/B/A ACTON ROAD
ENCORE; RAHIM BUDHWANI, EXECUTIVES**

WHEREAS, the City Council of the City of Vestavia Hills, Alabama, approves the alcohol license for Fuel South LLC d/b/a Acton Road Encore, located at 2423 Acton Road, Vestavia Hills, Alabama, for the sale of 050 Retail Beer (Off Premises Only) and 070 Retail Table Wine (Off Premises Only); Rahim Budhwani, executive.

APPROVED and ADOPTED this the 11th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor


ATTESTED BY:

Rebecca Leavings
City Clerk

INTEROFFICE MEMORANDUM

DATE: July 7, 2016

TO: Dan Rary, Police Chief

FROM: Rebecca Leavings, City Clerk 

RE: Alcohol License Request – 050 Retail Beer (Off Premises Only) and 070 Retail Table Wine (Off Premises Only)


Please find attached information submitted by Rahim Budhwani who request an alcohol license to sell 050 Retail Beer (Off Premises Only) and 070 Retail Table Wine (Off Premises Only) at the Fuel South LLC d/b/a Acton Road Encore, 2423 Acton Road, Vestavia Hills, Alabama.

I am scheduling this case to be heard by the City Council on 11th day of July, 2016 at 5:00 PM (Monday). Please advise me of your recommendation for this license. If you have any questions, please contact me.

Reply

I have reviewed the available background information on the above referenced applicant and submit the following to the City Council:

✓	Application cleared by P.D. This indicates that there are NO convictions for drug trafficking, convictions regarding arrest involving danger to children, weapon charges, violent felony crimes against persons, felony sexual offenses or habitual alcohol related arrests
	Needs further review. This indicates that the Police Chief has found records of some convictions of alcohol related arrests
	Does not recommend. This indicates that the Police Chief has found records of convictions for drug trafficking, convictions regarding arrest involving danger to children, weapon charges, violent felony crimes against persons, felony sexual offenses or habitual alcohol related arrests

Reviewed: 



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION



Confirmation Number: 20160623141353240

Type License: 050 - RETAIL BEER (OFF PREMISES ONLY) **State:** **County:**
Type License: 070 - RETAIL TABLE WINE (OFF PREMISES ONLY) **State:** **County:**
Trade Name: ACTON ROAD ENCORE **Filing Fee:**
Applicant: FUEL SOUTH LLC **Transfer Fee:** \$100.00
Location Address: 2423 ACTON RD VESTAVIA HILLS, AL 35243
Mailing Address: 3945 LORNA RD HOOVER, AL 35244
County: JEFFERSON **Tobacco sales:** YES **Tobacco Vending Machines:** 0
Type Ownership: LLC

Book, Page, or Document info: 200501 2849
Date Incorporated: 01/07/2005 **State incorporated:** AL **County Incorporated:** JEFFERSON
Date of Authority: 01/07/2005 **Alabama State Sales Tax ID:** 3700 66258

Name:	Title:	Date and Place of Birth:	Residence Address:
RAHIM BUDHWANI 7227722 - AL	CEO/MEMBER	10/31/1971 INDIA	4976 PARADISE LAKE CIR HOOVER, AL 35244

Has applicant complied with financial responsibility ABC RR 20-X-5-.14? YES
 Does ABC have any actions pending against the current licensee? NO
 Has anyone, including manager or applicant, had a Federal/State permit or license suspended or revoked? NO
 Has a liquor, wine, malt or brewed license for these premises ever been denied, suspended, or revoked? NO
 Are the applicant(s) named above, the only person(s), in any manner interested in the business sought to be licensed? YES
 Are any of the applicants, whether individual, member of a partnership or association, or officers and directors of a corporation itself, in any manner monetarily interested, either directly or indirectly, in the profits of any other class of business regulated under authority of this act? NO
 Does applicant own or control, directly or indirectly, hold lien against any real or personal property which is rented, leased or used in the conduct of business by the holder of any vinous, malt or brewed beverage, or distilled liquors permit or license issued under authority of this act? NO
 Is applicant receiving, either directly or indirectly, any loan, credit, money, or the equivalent thereof from or through a subsidiary or affiliate or other licensee, or from any firm, association or corporation operating under or regulated by the authority of this act? NO

Contact Person: RAHIM BUDHWANI **Home Phone:** 205-966-5040
Business Phone: 205-823-8923 **Cell Phone:** 205-966-5040
Fax: **E-mail:** BRAHIM@6040LLC.COM

PREVIOUS LICENSE INFORMATION: **Previous License Number(s)**
Trade Name: DOLLY CREEK SHELL **License 1:** 010281537
Applicant: FIVE STAR MART LLC **License 2:** 010281537



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION



Confirmation Number: 20160623141353240

If applicant is leasing the property, is a copy of the lease agreement attached? **YES**
 Name of Property owner/lessor and phone number: **ENCORE FRANCHISES LLC 205-966-5040**
 What is lessors primary business? **CONVENIENCE STORES**
 Is lessor involved in any way with the alcoholic beverage business? **YES**
 Is there any further interest, or connection with, the licensee's business by the lessor? **NO**

Does the premise have a fully equipped kitchen? **NO**
 Is the business used to habitually and principally provide food to the public? **NO**
 Does the establishment have restroom facilities? **YES**
 Is the premise equipped with services and facilities for on premises consumption of alcoholic beverages? **NO**

Will the business be operated primarily as a package store? **NO**
 Building Dimensions Square Footage: **3500** Display Square Footage:
 Building seating capacity: **0** Does Licensed premises include a patio area? **NO**
 License Structure: **ONE STORY** License covers: **ENTIRE STRUCTURE**
 Location is within: **CITY LIMITS** Police protection: **CITY**

Has any person(s) with any interest, including manager, whether as sole applicant, officer, member, or partner been charged (whether convicted or not) of any law violation(s)?

Name:	Violation & Date:	Arresting Agency:	Disposition:



STATE OF ALABAMA ALCOHOLIC BEVERAGE CONTROL BOARD ALCOHOL LICENSE APPLICATION



Confirmation Number: 20160623141353240

Initial each

Signature page

In reference to law violations, I attest to the truthfulness of the responses given within the application.

In reference to the Lease/property ownership, I attest to the truthfulness of the responses given within the application.

In reference to ACT No. 80-529, I understand that if my application is denied or discontinued, I will not be refunded the filing fee required by this application.

In reference to Special Retail or Special Events retail license, I agree to comply with all applicable laws and regulations concerning this class of license, and to observe the special terms and conditions as indicated within the application.

In reference to the Club Application information, I attest to the truthfulness of the responses given within the application.

In reference to the transfer of license/location, I attest to the truthfulness of the information listed on the attached transfer agreement.

In accordance with Alabama Rules & Regulations 20-X-5-.01(4), any social security number disclosed under this regulation shall be used for the purpose of investigation or verification by the ABC Board and shall not be a matter of public record.

The undersigned agree, if a license is issued as herein applied for, to comply at all times with and to fully observe all the provisions of the Alabama Alcoholic Beverage Control Act, as appears in Code of Alabama, Title 28, and all laws of the State of Alabama relative to the handling of alcoholic beverages.

The undersigned, if issued a license as herein requested, further agrees to obey all rules and regulations promulgated by the board relative to all alcoholic beverages received in this State. The undersigned, if issued a license as herein requested, also agrees to allow and hereby invites duly authorized agents of the Alabama Alcoholic Beverage Control Board and any duly commissioned law enforcement officer of the State, County or Municipality in which the license premises are located to enter and search without a warrant the licensed premises or any building owned or occupied by him or her in connection with said licensed premises. The undersigned hereby understands that he or she violate any provisions of the aforementioned laws his or her license shall be subject to revocation and no license can be again issued to said licensee for a period of one year. The undersigned further understands and agrees that no changes in the manner of operation and no deletion or discontinuance of any services or facilities as described in this application will be allowed without written approval of the proper governing body and the Alabama Alcoholic Beverage Control Board.

I hereby swear and affirm that I have read the application and all statements therein and facts set forth are true and correct, and that the applicant is the only person interested in the business for which the license is required.

Applicant Name (print): *Rahim Budhwani*

Signature of Applicant:

Notary Name (print):

Notary Signature:

Valen C. Johnson
Valencia Johnson

Commission expires:

4-22-18

Application Taken:

App. Inv. Completed:

Forwarded to District Office:

Submitted to Local Government:

Received from Local Government:

Received in District Office:

Reviewed by Supervisor:

Forwarded to Central Office:

RESOLUTION NUMBER 4854

**A RESOLUTION APPROVING ALCOHOL LICENSE
FOR JUSTJOE, LLC D/B/A DIPLOMAT DELI;
JUSTIN MCDAVITT GOBER AND JOSEPH EDWIN
HOSKIN, EXECUTIVES**

WHEREAS, the City Council of the City of Vestavia Hills, Alabama, approves the alcohol license for JustJoe, LLC d/b/a Diplomat Deli, located at 1425 Montgomery Highway, Suite 101, Vestavia Hills, Alabama, for the sale of 040 Retail Beer (On or Off Premises) and 060 Retail Wine (On and Off Premises); Justin McDavitt Gober and Joseph Edwin Hoskin, executives.

APPROVED and ADOPTED this the 11th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor


ATTESTED BY:

Rebecca Leavings
City Clerk

INTEROFFICE MEMORANDUM

DATE: July 7, 2016

TO: Dan Rary, Police Chief

FROM: Rebecca Leavings, City Clerk 


RE: Alcohol License Request – 040 Retail Beer (On or Off Premises) and 060 Retail Wine (On and Off Premises)

Please find attached information submitted by Justin McDavitt Gober and Joseph Edwin Hoskin who request an alcohol license to sell 040 Retail Beer (On or Off Premises) and 060 Retail Wine (On and Off Premises) at the JustJoe, LLC d/b/a Diplomat Deli, 1425 Montgomery Highway, Suite 101, Vestavia Hills, Alabama.

I am scheduling this case to be heard by the City Council on 11th day of July, 2016 at 5:00 PM (Monday). Please advise me of your recommendation for this license. If you have any questions, please contact me.

Reply

I have reviewed the available background information on the above referenced applicant and submit the following to the City Council:

	Application cleared by P.D. This indicates that there are NO convictions for drug trafficking, convictions regarding arrest involving danger to children, weapon charges, violent felony crimes against persons, felony sexual offenses or habitual alcohol related arrests
	Needs further review. This indicates that the Police Chief has found records of some convictions of alcohol related arrests
	Does not recommend. This indicates that the Police Chief has found records of convictions for drug trafficking, convictions regarding arrest involving danger to children, weapon charges, violent felony crimes against persons, felony sexual offenses or habitual alcohol related arrests

Reviewed: _____





STATE OF ALABAMA

ALCOHOLIC BEVERAGE CONTROL BOARD

ALCOHOL LICENSE APPLICATION



Confirmation Number: 20160701101715821

Type License: 040 - RETAIL BEER (ON OR OFF PREMISES) State: County:

Type License: 060 - RETAIL TABLE WINE (ON OR OFF PREMISES) State: County:

Trade Name: **DIPLOMAT DELI**

Filing Fee:

Applicant: **JUSTJOE LLC**

Transfer Fee: \$100.00

Location Address: 1425 MONTGOMERY HWY ; SUITE 101 VESTAVIA HILLS, AL 35216

Mailing Address: 4733 IDAHO AVE BIRMINGHAM, AL 35210

County: JEFFERSON Tobacco sales: NO

Tobacco Vending Machines:

Type Ownership: LLC

Book, Page, or Document info: 2016041271

Date Incorporated: 04/28/2016 State incorporated: AL County Incorporated: JEFFERSON

Date of Authority: 04/28/2016 Alabama State Sales Tax ID: R009535663

Name: **Title:** **Date and Place of Birth:** **Residence Address:**

JUSTIN MCDAVITT GOBER 6577556 - AL	MEMBER	04/03/1979 KNOXVILLE, TN	2325 QUEENSVIEW RD BIRMINGHAM, AL 35226
JOSEPH EDWIN HOSKIN 6600955 - AL	MANAGING MEMBER	12/18/1980 BIRMINGHAM AL	4733 IDAHO AVE BIRMINGHAM, AL 35210

Has applicant complied with financial responsibility ABC RR 20-X-5-.14? YES

Does ABC have any actions pending against the current licensee? NO

Has anyone, including manager or applicant, had a Federal/State permit or license suspended or revoked? NO

Has a liquor, wine, malt or brewed license for these premises ever been denied, suspended, or revoked? NO

Are the applicant(s) named above, the only person(s), in any manner interested in the business sought to be licensed? YES

Are any of the applicants, whether individual, member of a partnership or association, or officers and directors of a corporation itself, in any manner monetarily interested, either directly or indirectly, in the profits of any other class of business regulated under authority of this act? NO

Does applicant own or control, directly or indirectly, hold lien against any real or personal property which is rented, leased or used in the conduct of business by the holder of any vinous, malt or brewed beverage, or distilled liquors permit or license issued under authority of this act? NO

Is applicant receiving, either directly or indirectly, any loan, credit, money, or the equivalent thereof from or through a subsidiary or affiliate or other licensee, or from any firm, association or corporation operating under or regulated by the authority of this act? NO

Contact Person: JOSEPH HOSKIN

Home Phone: 205-586-3150

Business Phone: 205-979-1515

Cell Phone: 205-586-3150

Fax:

E-mail: JOSEPHHOSKIN@GMAIL.COM

PREVIOUS LICENSE INFORMATION:

Previous License Number(s)

Trade Name: DIPLOMAT DELI & SPIRITS

License 1: 000205237

Applicant: DIPWAY INC

License 2: 000205237



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
 ALCOHOL LICENSE APPLICATION



Confirmation Number: 20160701101715821

If applicant is leasing the property, is a copy of the lease agreement attached? **YES**
 Name of Property owner/lessor and phone number: BIRMINGHAM REALTY COMPANY INC 205-592-2387
 What is lessors primary business? **COMMERCIAL REAL ESTATE**
 Is lessor involved in any way with the alcoholic beverage business? **NO**
 Is there any further interest, or connection with, the licensee's business by the lessor? **NO**

Does the premise have a fully equipped kitchen? **YES**
 Is the business used to habitually and principally provide food to the public? **YES**
 Does the establishment have restroom facilities? **YES**
 Is the premise equipped with services and facilities for on premises consumption of alcoholic beverages? **YES**

Will the business be operated primarily as a package store? **NO**
 Building Dimensions Square Footage: 2530 Display Square Footage:
 Building seating capacity: 105 Does Licensed premises include a patio area? **YES**
 License Structure: **SHOPPING CENTER** License covers: **OTHER**
 Location is within: **CITY LIMITS** Police protection: **CITY**

Has any person(s) with any interest, including manager, whether as sole applicant, officer, member, or partner been charged (whether convicted or not) of any law violation(s)?

Name:	Violation & Date:	Arresting Agency:	Disposition:
JUSTIN GOBER	MINOR IN POSSESSION OF ALCOHOL 04/18/1998	AUBURN PD	MR. GOBER BELIEVES THE CHARGE WAS DISMISSED



STATE OF ALABAMA
ALCOHOLIC BEVERAGE CONTROL BOARD
ALCOHOL LICENSE APPLICATION
Confirmation Number: 20160701101715821



Initial each

Signature page

BJM
BJM

In reference to law violations, I attest to the truthfulness of the responses given within the application.

In reference to the Lease/property ownership, I attest to the truthfulness of the responses given within the application.

BJM

In reference to ACT No. 80-529, I understand that if my application is denied or discontinued, I will not be refunded the filing fee required by this application.

[Signature]

In reference to Special Retail or Special Events retail license, I agree to comply with all applicable laws and regulations concerning this class of license, and to observe the special terms and conditions as indicated within the application.

[Signature]

In reference to the Club Application information, I attest to the truthfulness of the responses given within the application.

BJM

In reference to the transfer of license/location, I attest to the truthfulness of the information listed on the attached transfer agreement.

BJM

In accordance with Alabama Rules & Regulations 20-X-5-.01(4), any social security number disclosed under this regulation shall be used for the purpose of investigation or verification by the ABC Board and shall not be a matter of public record.

BJM

The undersigned agree, if a license is issued as herein applied for, to comply at all times with and to fully observe all the provisions of the Alabama Alcoholic Beverage Control Act, as appears in Code of Alabama, Title 28, and all laws of the State of Alabama relative to the handling of alcoholic beverages.

The undersigned, if issued a license as herein requested, further agrees to obey all rules and regulations promulgated by the board relative to all alcoholic beverages received in this State. The undersigned, if issued a license as herein requested, also agrees to allow and hereby invites duly authorized agents of the Alabama Alcoholic Beverage Control Board and any duly commissioned law enforcement officer of the State, County or Municipality in which the license premises are located to enter and search without a warrant the licensed premises or any building owned or occupied by him or her in connection with said licensed premises. The undersigned hereby understands that he or she violate any provisions of the aforementioned laws his or her license shall be subject to revocation and no license can be again issued to said licensee for a period of one year. The undersigned further understands and agrees that no changes in the manner of operation and no deletion or discontinuance of any services or facilities as described in this application will be allowed without written approval of the proper governing body and the Alabama Alcoholic Beverage Control Board.

BJM

I hereby swear and affirm that I have read the application and all statements therein and facts set forth are true and correct, and that the applicant is the only person interested in the business for which the license is required.

Applicant Name (print):

Brad McGiboney, as attorney for + Power of Attorney for Just Ice LLC, Joseph Huskin and Justin Guler

Signature of Applicant:

Valencia Johnson

Notary Name (print):

Notary Signature:

Commission expires:

4-22-18

Application Taken:

App. Inv. Completed:

Forwarded to District Office:

Submitted to Local Government:

Received from Local Government:

Received in District Office:

Reviewed by Supervisor:

Forwarded to Central Office:

RESOLUTION NUMBER 4857

**A RESOLUTION AUTHORIZING THE MAYOR AND CITY
MANAGER TO ENTER INTO A REMEDIATION AGREEMENT
REGARDING PROPERTY LOCATED AT 1756 INDIAN CREEK
DRIVE, VESTAVIA HILLS, AL 35243.**

WHEREAS, the Appropriate Municipal Officials of the City of Vestavia Hills, Alabama (“the City”), determined that the condition of the building or structure located at 1756 Indian Creek Drive, Vestavia Hills, AL 35243, Alabama, Parcel I.D. Number 28-00-20-4-004-015.000 (“Subject Property”), was unsafe to the extent that it is a public nuisance; and

WHEREAS, Deborah Reinhardt is the owner of the Subject Property; and

WHEREAS, the City of Vestavia Hills, Alabama (“the City”) desires to enter into a Remediation Agreement with Ms. Reinhardt;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vestavia Hills, Alabama, while in regular session on Monday, July 11, 2016, as follows:

1. The Mayor and City Manager are hereby authorized to execute a Remediation Agreement with the Petitioner along substantially the same terms as those provided in Exhibit 1 attached hereto; and

2. This Resolution shall become effective immediately upon adoption.

ADOPTED and APPROVED this the 11th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY

Rebecca Leavings
City Clerk

CERTIFICATION OF CITY CLERK

STATE OF ALABAMA)
JEFFERSON COUNTY)

I, Rebecca Leavings, City Clerk of the City of Vestavia Hills, Alabama, do hereby certify that the above and foregoing is a true and correct copy of a Resolution duly and legally adopted by the City Council of the City of Vestavia Hills, Alabama, on the 11th day of July, 2016 while in regular session, and the same appears of record in the minute book of said date of said City.

Witness my hand and seal of office this _____ day of July, 2016.

Rebecca Leavings, City Clerk

Exhibit 1

REMEDIATION AGREEMENT

COME NOW, **Deborah Reinhardt** (“Petitioner”), who has an interest in the Subject Property as defined herein, and the **City of Vestavia Hills, Alabama** (“City”), to enter into this Remediation Agreement (“Agreement”) as of the 11th day of July, 2016. The “Subject Property” referred to in this Agreement shall include the following described real property and the personal property thereon:

STREET ADDRESS:

1756 Indian Creek Drive, Vestavia Hills, AL 35243

LEGAL DESCRIPTION:

Lot 15, according to the survey of Abingdon Green, as recorded in Map Book 152, page 85, in the Probate Office of Jefferson County, Alabama.

PARCEL IDENTIFICATION NUMBER:

28-00-20-4-004-015.000

The Petitioner agrees that the Petitioner will make certain improvements to the Subject Property, including the following:

1. That the premises of the Subject Property shall be immediately maintained in accordance with all laws governing grass and weeds and remain so at all times;
2. That the Subject Property—in its entirety, both improvements and land—shall be brought into compliance with all applicable technical, building, and safety codes adopted by the City for the Subject Property’s intended use and occupancy no later than September 15, 2016;
3. That the premises of the Subject Property shall be immediately treated by a licensed pest control service for the elimination of vermin, rodents, and infestations of insects and shall be re-treated on a monthly basis until such time that all of the Petitioner’s interest in the Subject Property has been transferred as provided by this

Agreement; and

4. That the improvements to the Subject Property shall include, at a minimum, the scope of work contemplated by the schedule attached hereto as Exhibit A hereof and the removal of all of the Petitioner's personal property from the Subject Property to a location outside of the City's corporate limits (Items 1-4 altogether "the Timeline").

The Petitioner agrees that the Petitioner will satisfy all provisions of the Timeline. In the event that the Petitioner satisfies all provisions of the Timeline, then the City will not demolish or otherwise remediate the Subject Property and the City will not assess costs for the enforcement of its rights relative to the abatement of nuisances on the Subject Property through the date that the provisions of the Timeline are satisfied.

In the event that the Petitioner should fail to meet any provision of the Timeline, then the City may, at its sole discretion and election, either demolish the Subject Property or any part thereof without further notice to the Petitioner or complete the repair of the Subject Property as contemplated by the Timeline.

The Petitioner agrees that until all of the provisions of the Timeline have been completed by the Petitioner, the Petitioner will not sell, transfer, mortgage, lease, encumber, or otherwise dispose of the Subject Property without the express written permission of the City.

On or before July 18, 2016, the Petitioner agrees to vacate the Subject Property, and the Petitioner agrees not to reside in the Subject Property after that time.

On or before September 15, 2016, the Petitioner agrees to offer the Subject Property for sale at a price not to exceed \$____ and to utilize a licensed realtor in connection with the marketing and sale of the Subject Property. The Petitioner agrees to continue offering the Subject Property for sale as required by this paragraph until all of her interest in the Subject Property has been transferred.

In the event of a breach of this Agreement, the Petitioner agrees to be responsible for any expenses (including attorneys' fees and costs actually incurred) associated with the City's enforcement of its rights pursuant to this Agreement, including, but not limited to, demolition of the Subject Property by the City and/or repair of the Subject Property by the City for the Petitioner's failure to meet any provision of the Timeline and/or prosecution related to the condition of the Subject Property, and the Petitioner authorizes the City to file an assessment and lien against the Subject Property for the same.

The Petitioner agrees to assume the risk of making any improvements to the Subject Property or investing any money therein and acknowledges the risk that the Subject Property may be demolished and/or subjected to a lien if the Petitioner fails to strictly comply with the Timeline, whether or not the Subject Property could have otherwise been demolished under any provision of law. The Petitioner agrees to hold harmless and hereby releases the City and its agents, officers, employees, attorneys, contractors, and subcontractors from any and all types of claims that they had, now have, or in the future may have related to the Subject Property. The Petitioners agree to indemnify and defend the City and its agents, officers, employees, attorneys, contractors, and subcontractors for and from any and all types of claims at any time related to the Subject Property that may be asserted by any party and to indemnify the City for any expenses (including attorneys' fees and costs actually incurred) as the result of any breach of this Agreement including, but not limited to, failure to strictly comply with the Timeline.

Petitioner acknowledges that as consideration for this Agreement the City has determined not to proceed with the demolition of the Subject Property before September 15, 2016, and the Petitioner acknowledges the receipt and sufficiency of this consideration. This is in no way a waiver of any right or remedy that the City may have existing on or after September 15, 2016. However, the Petitioner consents to the City Council of the City immediately or in the future ordering the demolition and/or repair of the Subject Property, subject to and limited by the terms of this Agreement, and Petitioner agrees not to appeal such order of the City Council as it is expressly contemplated by this Agreement.

This Agreement is contractual in nature and not mere recital. This Agreement is fully enforceable in all respects as a contract. This Agreement is made and entered into in the State of Alabama, and shall in all respects be interpreted, enforced, and governed under the laws of said State. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. Should any provision of this Agreement be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement. The Petitioner asserts that the Petitioner has the authority to enter into this Agreement and to burden the Subject Property with the provisions of this Agreement, and the Petitioner acknowledges that the City is relying upon this as a material representation. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

[SIGNATURES APPEAR ON THE FOLLOWING TWO (2) PAGES.
THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK.]

Deborah Reinhardt

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Deborah Reinhardt, an individual, whose name is signed to the foregoing Remediation Agreement and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, she executed the same voluntarily on the day the same bears date.

GIVEN under my hand and official seal this _____ day of _____,
2016.

Notary Public: _____
My commission expires: _____

CITY OF VESTAVIA HILLS,
ALABAMA

BY (signature):

Alberto C. Zaragoza, Jr.
ITS: Mayor

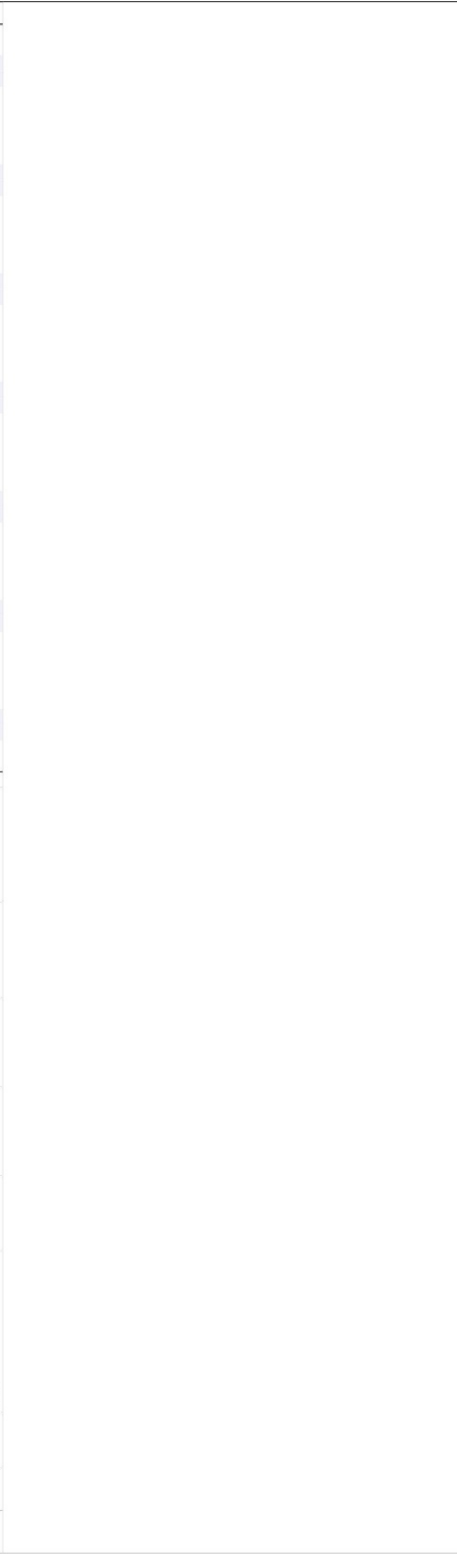
BY (signature):

Jeffrey D. Downes
ITS: City Manager

ATTEST: _____
Rebecca Leavings, City Clerk

EXHIBIT A
TO THE REMEDIATION AGREEMENT

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	Jul 10, '16	Jul 17, '16	Jul 24, '16	Jul 31, '16	Aug 7, '16	Aug 14, '16	Aug 21, '16						
								W	T	F	S	M	T	W	T	F	S	M	T	W
1																				
2		Issue Building Permit	2 days	Thu 7/7/16	Fri 7/8/16															
3		Remove/replace rotten wood	10 days	Mon 7/11/16	Fri 7/22/16	2														
4		Replace Roof & Gutters	5 days	Mon 7/25/16	Fri 7/29/16	3														
5		Repair/replace plaster stucco	7 days	Mon 8/1/16	Tue 8/9/16	4														
6		Paint trim, doors, railing, etc.	7 days	Wed 8/10/16	Thu 8/18/16	5														
7		New fence	3 days	Wed 8/10/16	Fri 8/12/16	5														
8		Replace garage doors	2 days	Wed 8/10/16	Thu 8/11/16	5														
9		Landscaping - trim, cut & treat	3 days	Fri 8/19/16	Tue 8/23/16	6														



Project: Reinhardt's Schedule
Date: Thu 7/7/16

Task: [Solid Blue Bar] Project Summary, [Dotted Blue Bar] External Tasks, [Diamond Icon] External Milestone, [Arrow Icon] Inactive Task, [Split Icon] Split Milestone Summary

Inactive Milestone: [Grey Bar] Inactive Summary, [Diamond Icon] Manual Task, [Arrow Icon] Duration-only

Manual Summary Rollup: [Arrow Icon] Manual Summary, [C Icon] Start-only, [Z Icon] Finish-only

Deadline: [Green Arrow Icon] Progress

Exhibit 1

REMEDIATION AGREEMENT

COME NOW, **Deborah Reinhardt** (“Petitioner”), who has an interest in the Subject Property as defined herein, and the **City of Vestavia Hills, Alabama** (“City”), to enter into this Remediation Agreement (“Agreement”) as of the 11th day of July, 2016. The “Subject Property” referred to in this Agreement shall include the following described real property and the personal property thereon:

STREET ADDRESS:

1756 Indian Creek Drive, Vestavia Hills, AL 35243

LEGAL DESCRIPTION:

Lot 15, according to the survey of Abingdon Green, as recorded in Map Book 152, page 85, in the Probate Office of Jefferson County, Alabama.

PARCEL IDENTIFICATION NUMBER:

28-00-20-4-004-015.000

The Petitioner agrees that the Petitioner will make certain improvements to the Subject Property, including the following:

1. That the premises of the Subject Property shall be immediately maintained in accordance with all laws governing grass and weeds and remain so at all times;
2. That the Subject Property—in its entirety, both improvements and land—shall be brought into compliance with all applicable technical, building, and safety codes adopted by the City for the Subject Property’s intended use and occupancy no later than September 15, 2016; and
3. That the improvements to the Subject Property shall include, at a minimum, the scope of work contemplated by the schedule attached hereto as Exhibit A hereof and the removal of all of the Petitioner’s personal property from the Subject Property to a location outside of the City’s corporate limits (Items 1-3 altogether “the Timeline”).

The Petitioner agrees that the Petitioner will satisfy all provisions of the Timeline. In the event that the Petitioner satisfies all provisions of the Timeline, then the City will not demolish or otherwise remediate the Subject Property and the City will not assess costs for the enforcement of its rights relative to the abatement of nuisances on the Subject Property through the date that the provisions of the Timeline are satisfied.

In the event that the Petitioner should fail to meet any provision of the Timeline, then the City may, at its sole discretion and election, either demolish the Subject Property or any part thereof without further notice to the Petitioner or complete the repair of the Subject Property as contemplated by the Timeline.

The Petitioner agrees that until all of the provisions of the Timeline have been completed by the Petitioner, the Petitioner will not sell, transfer, mortgage, lease, encumber, or otherwise dispose of the Subject Property without the express written permission of the City.

On or before July 18, 2016, the Petitioner agrees to vacate the Subject Property, and the Petitioner agrees not to reside in the Subject Property after that time.

On or before September 15, 2016, the Petitioner agrees to offer the Subject Property for sale at a price not to exceed \$_____ and to utilize a licensed realtor in connection with the marketing and sale of the Subject Property. The Petitioner agrees to continue offering the Subject Property for sale as required by this paragraph until all of her interest in the Subject Property has been transferred.

In the event of a breach of this Agreement, the Petitioner agrees to be responsible for any expenses (including attorneys' fees and costs actually incurred) associated with the City's enforcement of its rights pursuant to this Agreement, including, but not limited to, demolition of the Subject Property by the City and/or repair of the Subject Property by the City for the Petitioner's failure to meet any provision of the Timeline and/or prosecution related to the condition of the Subject Property, and the Petitioner authorizes the City to file an assessment and lien against the Subject Property for the same.

The Petitioner agrees to assume the risk of making any improvements to the Subject Property or investing any money therein and acknowledges the risk that the Subject Property may be demolished and/or subjected to a lien if the Petitioner fails to strictly comply with the Timeline, whether or not the Subject Property could have otherwise been demolished under any provision of law. The Petitioner agrees to hold harmless and hereby releases the City and its agents, officers, employees, attorneys, contractors, and subcontractors from any and all types of claims that they had, now have, or in the future may have related to the Subject Property. The Petitioners agree to indemnify and defend the City and its agents, officers, employees, attorneys, contractors, and subcontractors for and from any and all types of

claims at any time related to the Subject Property that may be asserted by any party and to indemnify the City for any expenses (including attorneys' fees and costs actually incurred) as the result of any breach of this Agreement including, but not limited to, failure to strictly comply with the Timeline.

Petitioner acknowledges that as consideration for this Agreement the City has determined not to proceed with the demolition of the Subject Property before September 15, 2016, and the Petitioner acknowledges the receipt and sufficiency of this consideration. This is in no way a waiver of any right or remedy that the City may have existing on or after September 15, 2016. However, the Petitioner consents to the City Council of the City immediately or in the future ordering the demolition and/or repair of the Subject Property, subject to and limited by the terms of this Agreement, and Petitioner agrees not to appeal such order of the City Council as it is expressly contemplated by this Agreement.

This Agreement is contractual in nature and not mere recital. This Agreement is fully enforceable in all respects as a contract. This Agreement is made and entered into in the State of Alabama, and shall in all respects be interpreted, enforced, and governed under the laws of said State. The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. Should any provision of this Agreement be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement. The Petitioner asserts that the Petitioner has the authority to enter into this Agreement and to burden the Subject Property with the provisions of this Agreement, and the Petitioner acknowledges that the City is relying upon this as a material representation. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement.

[SIGNATURES APPEAR ON THE FOLLOWING TWO (2) PAGES.
THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK.]

Deborah Reinhardt

STATE OF ALABAMA)
COUNTY OF JEFFERSON)

I, the undersigned, a notary public in and for said county in said state, hereby certify that Deborah Reinhardt, an individual, whose name is signed to the foregoing Remediation Agreement and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, she executed the same voluntarily on the day the same bears date.

GIVEN under my hand and official seal this _____ day of _____,
2016.

Notary Public: _____
My commission expires: _____

CITY OF VESTAVIA HILLS,
ALABAMA

BY (signature):

Alberto C. Zaragoza, Jr.
ITS: Mayor

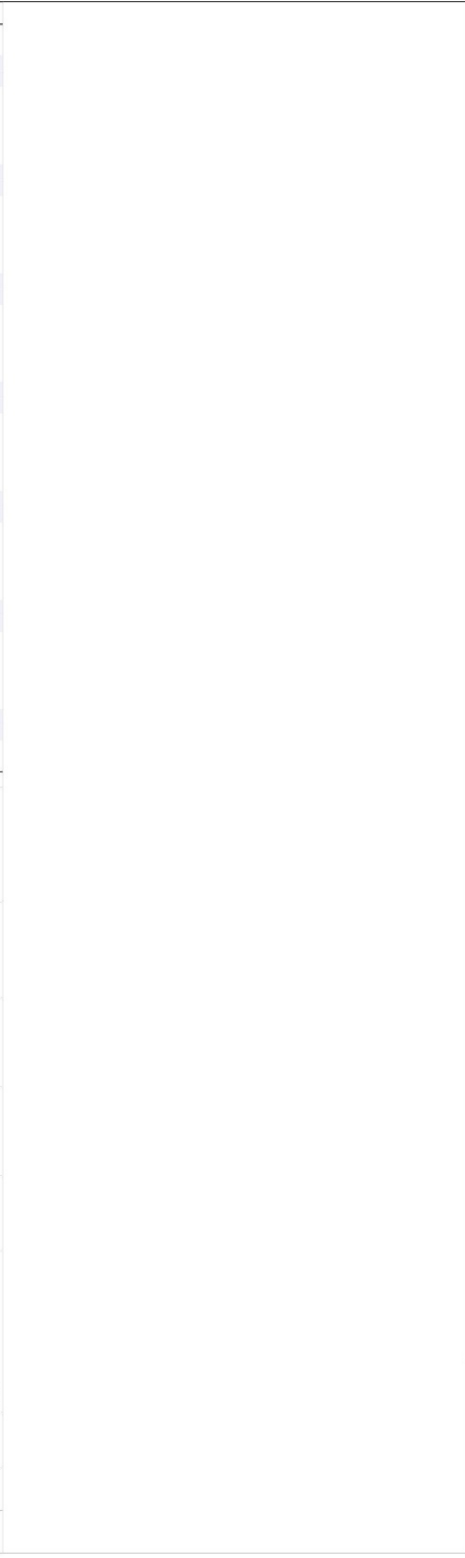
BY (signature):

Jeffrey D. Downes
ITS: City Manager

ATTEST: _____
Rebecca Leavings, City Clerk

EXHIBIT A
TO THE REMEDIATION AGREEMENT

ID	Task Name	Duration	Start	Finish	Predecessors	Resource Names	Calendar													
							Jul 10, '16	Jul 17, '16	Jul 24, '16	Jul 31, '16	Aug 7, '16	Aug 14, '16	Aug 21, '16							
							W	T	F	S	M	T	W	T	F	S	M	T	W	
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2	Issue Building Permit	2 days	Thu 7/7/16	Fri 7/8/16																
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Project: Reinhardt's Schedule
Date: Thu 7/7/16

- Task
- Split Milestone Summary
- Project Summary
- External Milestone
- External Task
- Inactive Milestone
- Inactive Task
- Inactive Summary
- Manual Task
- Duration-only
- Manual Summary Rollup
- Manual Summary
- Start-only
- Finish-only
- Deadline
- Progress

ORDINANCE NO. 2676

CITY OF VESTAVIA HILLS, ALABAMA

For

\$11,810,000
GENERAL OBLIGATION WARRANTS
SERIES 2016

Adopted: July 11, 2016

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND MAKING PROVISION FOR
THE PAYMENT OF \$11,810,000 GENERAL OBLIGATION WARRANTS, SERIES 2016

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

ARTICLE 1

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.

(b) All references in this Ordinance to designated "Articles", "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this Ordinance as originally adopted.

(c) 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.

(d) The following words and phrases and others evidently intended as the equivalent thereof shall, in the absence of clear implication herein otherwise, be given the following respective interpretations herein:

Authorized Denominations means with respect to all Warrants the amount of \$5,000 and any integral multiple thereof for each maturity.

Beneficial Owner shall have the meaning set forth in Section 4.03(a).

Book-Entry System means a book-entry only system of evidence of purchase and transfer of beneficial ownership interests in the Warrants.

Business Day means a day, other than a Saturday or a Sunday, on which commercial banking institutions are open for business in the state where the principal corporate office of the Paying Agent is located and a day on which the payment system of the Federal Reserve System is operational.

City means the City of Vestavia Hills, Alabama and its successors and assigns.

Code means the Internal Revenue Code of 1986, as amended, and all references to specific sections of the Code shall be deemed to include any and all respective successor provisions to such sections.

Continuing Disclosure Agreement means the Continuing Disclosure Agreement dated the date of delivery by the City in favor of the Holders.

Direct Participant or Direct Participants means securities brokers and dealers, banks, trust companies, clearing corporations and other financial institutions which have access to the Book-Entry System.

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

Federal Securities means direct general obligations of the United States of America or any securities on which the payment of the principal and interest are unconditionally guaranteed by the United States of America.

Fiscal Year means the period beginning on October 1 of one calendar year and ending on September 30 of the next succeeding calendar year or such other Fiscal Year as may hereafter be adopted by the City.

Holder when used with respect to any Warrant means the Person in whose name such Warrant is registered in the Warrant Register.

Indirect Participant or Indirect Participants means securities brokers and dealers, banks, trust companies, clearing corporations and other financial institutions for which the Securities Depository holds Warrants as securities depository through a Direct Participant.

Interest Payment Date shall mean February 1, 2017 and each August 1 and February 1 thereafter.

Letter of Representation means and includes (i) the Letter of Representation with respect to the Warrants among the City, the Paying Agent and the Securities Depository and (ii) any other or subsequent agreement by whatever name or identification with respect to the Warrants among said parties from time to time in effect.

Net Warrant Proceeds means the net proceeds received from the sale of the Warrants of \$13,016,000.55, being the principal amount of \$11,810,000.00, plus net original issue premium of \$1,265,050.55 and less \$59,050.00 as underwriting discount.

Official Statement shall have the meaning assigned in Section 3.05(a).

Ordinance means this Ordinance as originally adopted or as it may from time to time be supplemented, modified or amended.

Outstanding when used with respect to Warrants means, as of the date of determination, all Warrants theretofore authenticated and delivered under this Ordinance, except: (1) Warrants theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation; and (2) Warrants for whose payment or redemption money in the necessary amount has been theretofore deposited with the Paying Agent in trust for the Holders thereof, provided that, if such warrants are to be redeemed, notice of such redemption has been duly given pursuant to this Ordinance or provision therefor satisfactory to the Paying Agent has been made; and (3) Warrants for the payment of which provisions have been made

in accordance with Section 5.02; and (4) Warrants in exchange for or in lieu of which other warrants have been authenticated and delivered under this Ordinance.

Paying Agent means (i) The Bank of New York Mellon Trust Company, National Association, the bank designated by the City as the paying agent for the Warrant Fund and the paying agent and registrar for the Warrants, and (ii) any successor bank designated as such depository, paying agent and registrar pursuant to Section 10.03 hereof.

Person shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization and any government or agency or political subdivision thereof.

Principal Office of the Paying Agent means the office where the Paying Agent maintains its designated trust office for purposes of this Ordinance, or such other office as shall be designated by the Paying Agent by written notice to the City and the Holders.

Qualified Investments means:

- (a) Federal Securities or a trust or fund consisting of Federal Securities;
- (b) Obligations of any of the following federal agencies, which obligations represent the full faith and credit of the United States of America:
 - (1) Farmers Home Administration;
 - (2) General Services Administration;
 - (3) U.S. Maritime Administration;
 - (4) Small Business Administration;
 - (5) Government National Mortgage Association (GNMA);
 - (6) U.S. Department of Housing and Urban Development (HUD);
 - (7) Federal Housing Administration (FHA);
- (c) U.S. dollar denominated deposit accounts and certificates of deposit with banks or savings associations which are qualified public depositories under the laws of the State of Alabama; or
- (d) any investment, obligation, or security at any time permitted by the laws of the State of Alabama for the investment or security of municipal or public funds, including without limitation Section 11-81-21 of the Code of Alabama 1975.

Refunded Warrants means the General Obligation Warrants, Series 2009-A, having stated maturities in 2020 through 2028, inclusive, heretofore issued by the City to finance various capital improvements to the public facilities of the City.

Record Date means, for each Interest Payment Date, the fifteenth day of the month (whether or not a Business Day) next preceding any Interest Payment Date.

Securities Depository means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and the successors and assigns thereof, and any substitute securities depository therefor that maintains a Book-Entry System for the Warrants.

Securities Depository Nominee means the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the Warrant Register the Warrants to be delivered to such Securities Depository during a period in which the Warrants are held pursuant to the Book-Entry System.

Series 2009-A Refunding Trust Agreement means the Refunding Trust Agreement dated July 1, 2016 by the City and The Bank of New York Mellon Trust Company, National Association, as paying agent for the Series 2009-A Warrants, with respect to the refunding of the Refunded Warrants.

Series 2016 Capital Improvements means capital improvements to the public facilities of the City.

Tax Certificate and Agreement means that certain Tax Certificate and Agreement delivered by the City with respect to the Warrants on the date of issuance thereof.

Taxable shall mean that interest on the Warrants is includable in the gross income of any Holder thereof in the computation of federal income tax liability. Interest on the Warrants shall not be deemed "Taxable" because interest is includable in any calculation of income for any other type of taxation other than the regular federal tax imposed on income.

Warrant Fund means the fund established pursuant to Section 7.01 hereof.

Warrant Purchase Agreement shall mean the Warrant Purchase Agreement dated June 29, 2016 by the City and The Frazer Lanier Company, Incorporated.

Warrant Registrar means the agent of the City appointed as such pursuant to Section 4.01 for the purpose of registering Warrants and transfers of Warrants.

Warrants means the General Obligation Warrants, Series 2016, dated the date of delivery, authorized to be issued pursuant to the provisions of this Ordinance.

ARTICLE 2

Source of Payment of Warrants

Section 2.01 Source of Payment of Warrants

The indebtedness evidenced and ordered paid by the Warrants shall be a general obligation of the City for the punctual payment of the principal of and interest on which the full faith, credit and taxing power of the City are hereby sacredly and irrevocably pledged.

Section 2.02 Officers and Members of the Governing Body of the City Exempt from Individual Liability

By acceptance of a Warrant, the Holder or Beneficial Owner thereof shall have agreed that no recourse under or upon any covenant or agreement of this Ordinance or of any Warrant, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future officer, employee, or member of the governing body of the City, or of any successor of any thereof, and all such liability of every name and nature, either at common law or in equity or by constitution or statute, and any and all such rights and claims against every such officer, employee, or member of the governing body of the City as such, are hereby expressly waived and released as a condition of, and as a consideration for, the issuance of the Warrants.

ARTICLE 3

The Warrants

Section 3.01 Determinations and Representations Respecting the Warrants

The City, upon evidence duly presented to and considered by it, does hereby find, determine and represent as follows:

(a) It is necessary and desirable and in the public interest for the City to issue the Warrants to provide for the following purposes:

- (1) to provide for the refunding of the Refunded Warrants to realize interest costs savings with respect thereto; and
- (2) to pay issuance expenses of the Warrants.

(b) The City is not in default with respect to the Refunded Warrants, and no such default is imminent.

(c) The assessed valuation of the taxable property in the City for the preceding fiscal year (ending September 30, 2015) is not less than \$663,339,104, and the total indebtedness of the City chargeable against the debt limitation for the City prescribed by the Constitution of Alabama of 1901 is not more than twenty percent of said assessed valuation, as follows:

<u>Net</u> assessed value of taxable property, including motor vehicles, after exemptions as of September 30, 2015	\$663,339,104 ^[1]
Debt limit (20% of net assessed value)	132,667,821
Outstanding general obligation debt	61,271,049 ^[2]
Total debt chargeable against limit	61,271,049
Constitutional debt margin	<u>\$71,396,772</u>

[1] As reported by Tax Assessors of Jefferson and Shelby Counties, Revenue Department of Jefferson County (motor vehicles) and Judge of Probate of Shelby County (motor vehicles) for fiscal year ending September 30, 2015.

[2] The outstanding general obligation debt of the City includes (a) the total General Obligation Warrants outstanding after issuance of the Warrants of \$56,670,000 as set forth under "General Obligation Warrants" hereinafter and (b) capitalized leases of \$2,812,513 and (c) the long-term portion of the accrued compensated absences of the City as of September 30, 2015 of \$1,788,536 as shown on the audited financial statements of the City for such fiscal year. All of such outstanding general obligation debt of the City is chargeable against the constitutional debt limit thereof.

Section 3.02 Authorization and Description of Warrants

(a) (1) Pursuant to the Constitution and laws of the State of Alabama, including particularly the Enabling Law, there is hereby authorized to be issued a series of warrants in the aggregate principal amount of \$11,810,000 for the purposes set forth in Section 3.01(a).

(2) The Warrants shall be issued pursuant to a Book Entry System.

(b) The Warrants shall be designated “General Obligation Warrants, Series 2016,” shall be in fully registered form, without coupons, shall be in Authorized Denominations, shall be numbered for identification as determined by the Paying Agent, and shall be dated the date of delivery.

(c) The Warrants shall mature on February 1 in the following year and in the following principal amount and shall bear interest at the following per annum rate:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2019	\$110,000	3.000%
2020	580,000	4.000%
2021	850,000	4.000%
2022	905,000	3.000%
2023	1,320,000	4.000%
2024	1,485,000	4.000%
2025	1,550,000	4.000%
2026	1,620,000	4.000%
2027	1,680,000 ^[1]	2.000%
2028	1,710,000	2.000%

[1] Subject to mandatory redemption on such date

(d) Interest on the Warrants shall be payable on each Interest Payment Date on the basis of a 360-day year of 12 consecutive 30-day months.

(e) The principal of, premium (if any) and interest on the Warrants shall be payable in lawful money of the United States of America, without deduction for exchange, fees or expenses, as provided in this Ordinance and as set forth in the Warrants.

(f) The Warrants are subject to redemption prior to maturity upon the circumstances, in the manner, on the dates, in the amounts and order, at the redemption prices and upon the notice as provided in this Ordinance and as set forth in the Warrants.

(g) The form of the Warrants and the authentication and registration certificates and the assignments appertaining thereto shall be substantially as follows, with appropriate changes, variations and insertions as provided herein; provided that for the purpose of printing the Warrants the face of the Warrants need not include the entire text so long as the paragraphs not appearing on the face of the printed Warrant appear on the reverse side thereof:

UNITED STATES OF AMERICA
STATE OF ALABAMA

CITY OF VESTAVIA HILLS, ALABAMA
GENERAL OBLIGATION WARRANTS
SERIES 2016

No. R-1

DATED DATE:	MATURITY DATE:	INTEREST RATE:	CUSIP:
July 14, 2016	February 1, 20__	____%	925479__

The **CITY OF VESTAVIA HILLS**, a municipal corporation organized and existing under and by virtue of the laws of the State of Alabama (the "City"), for value received, hereby acknowledges itself indebted to

CEDE & Co.

or registered assigns in the principal amount of

_____ DOLLARS
(\$ _____)

and hereby orders and directs the Finance Director (or any successor to the duties and functions thereof) of the City to pay to said payee or registered assigns, solely from the Warrant Fund hereinafter designated, said principal amount on the Maturity Date specified above, and to pay to said payee or registered assigns from said Warrant Fund interest on said principal amount from the date hereof at the Interest Rate per annum specified above, computed on the basis of a 360-day year of 12 consecutive 30-day months, payable on February 1, 2017 and on February 1 and August 1 in each year thereafter.

Authority for Issuance; Source of Payment and Security; Reference to Ordinance

This warrant is one of a duly authorized issue of \$11,810,000 General Obligation Warrants, Series 2016 (the "Warrants"), issued pursuant to the authority of the Constitution and laws of the state of Alabama and an ordinance and proceedings of the City duly held, passed and conducted (the "Ordinance").

In the Ordinance the City has appointed The Bank of New York Mellon Trust Company, National Association, as the Paying Agent and Warrant Registrar for the Warrants (the "Paying Agent").

Capitalized terms used herein without definition shall have the respective meanings assigned thereto in the Ordinance.

The indebtedness evidenced by the Warrants is a general obligation of the City and the full faith and credit of the City are hereby sacredly and irrevocably pledged to the punctual payment of the principal thereof and interest thereon.

The Warrants shall never constitute an indebtedness, pecuniary liability, or charge against the general credit or taxing power, of the State of Alabama or any political subdivision thereof except the City.

Reference is hereby made to the Ordinance, copies of which are on file at the Principal Office of the Paying Agent, for a description of the nature and extent of the security afforded by the Ordinance, the rights and duties of the City and the Paying Agent with respect thereto, and the terms and conditions upon which the purchase, transfer and exchange of the Warrants are to be made, to and by all of which terms, conditions and provisions of the Ordinance the owner of this Warrant, or of any beneficial interest in this Warrant, by the acquisition hereof, hereby assents and agrees to be bound.

Payment; Warrant Fund

The principal of and interest on the Warrants shall be payable in lawful money of the United States of America, without deduction for exchange, fees or expenses, by the City through the Paying Agent.

During a period in which the Book-Entry System is not in effect for the Warrants: (1) payment of interest on the Warrants shall be made by check or draft mailed by the Paying Agent to the Holders in whose names the Warrants are registered in the Warrant Register maintained by the Paying Agent at close of business on the Record Date (such payments to 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); (2) payment of the principal of (and premium, if any, on) the Warrants shall be made to the Holders only upon surrender of the Warrants at the Principal Office of the Paying Agent; and (3) all such payments of principal of, premium (if any) and interest on the Warrants on behalf of the City or the Paying Agent shall be valid and effectual to satisfy and discharge the liability of the City and the Paying Agent to the extent of the amounts so paid.

During a period in which the Book-Entry System is in effect for the Warrants: (1) payments of principal, interest, and redemption premium, if any, with respect to the Warrants will be paid by the Paying Agent directly to the Securities Depository, or the Securities Depository Nominee, as Holder; provided, that payment of the principal of (and premium, if any, on) such Warrants due at final maturity or upon redemption in whole of any of such Warrants shall be made only upon surrender thereof at the Principal Office of the Paying Agent; (2) the Securities Depository and the Direct Participants and the Indirect Participants shall be responsible for the disbursement of such payments to the Beneficial Owners; and (3) all such payments to the Securities Depository or the Securities Depository Nominee, as Holder, of principal of, premium (if any) and interest on such Warrants on behalf of the City or the Paying Agent shall be valid and effectual to satisfy and discharge the liability of the City and the Paying Agent to the extent of the amounts so paid, and the City and the Paying Agent shall not be responsible or liable for payment to any Beneficial Owner by the Securities Depository or by any Direct Participant or by any Indirect Participant, or for sending transaction statements or for maintaining, supervising or reviewing records maintained by the Securities Depository or Direct Participants or Indirect Direct Participants.

If any payment on the 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.

The City, the Paying Agent and any agent of the City or the Paying Agent may treat the person in whose name any Warrant is registered as the owner of such Warrant for the purpose of receiving payment of principal of, premium (if any) and interest on such Warrant and for all other purposes whatsoever whether or not such Warrant be 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.

The City has established in the Ordinance a special fund designated "Warrant Fund" for the payment of the principal of and interest on the Warrants and has obligated itself to pay or cause to be paid into the Warrant Fund, from the revenues or funds of the City, sums sufficient to provide for the payment of the principal of and interest on the Warrants as the same shall become due and payable.

Redemption

Optional Redemption

The Warrants will be subject to prior redemption at the option and direction, of the City, as a whole or in part in integral multiples of an Authorized Denomination, on February 1, 2026 or on any date thereafter, in such principal amounts as the City may determine and by lot within a maturity, at a redemption price for each Warrant redeemed equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date, without premium or penalty.

Mandatory Redemption

The Warrants having a stated maturity on February 1, 2028 (the "2028 Term Warrants") are subject to scheduled mandatory redemption, by lot, on February 1 in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2028 Term Warrants then cancelled or redeemed and not previously claimed as a credit), at a redemption price for each 2028 Term Warrant to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

<u>Year</u>	<u>Principal Amount to Be Mandatorily Redeemed</u>
2027	\$1,680,000

\$1,710,000 principal amount of the 2028 Term Warrants is scheduled to be retired at maturity (February 1, 2028).

General

Warrants to be redeemed shall be selected by the Securities Depository or Paying Agent as provided in the Ordinance, and redemption thereof shall be effected in the manner, upon the notice, and on the terms and conditions provided in the Ordinance.

Notice meeting the requirements of the Ordinance of the intended redemption of any Warrants shall be given by the Paying Agent to the Holder of each Warrant, all or a portion of the principal of which is to be redeemed, not less than 30 days prior to the proposed redemption date, by United States registered or certified mail (first class, postage prepaid), or, if the Securities Depository or Securities Depository Nominee is the Holder, at the times and in the manner as provided in the Letter of Representation, at the address of such Holder appearing in the Warrant Register; provided, however, any Holder may waive the requirement of notice as to the redemption (in whole or in part) of the Warrant or Warrants thereof.

Warrants (or portions thereof) for the redemption and payment of which provision has been made and notice thereof given all in accordance with the Ordinance shall thereupon cease to be entitled to the benefits of the Ordinance and shall cease to bear interest from and after the date fixed for redemption unless default shall be made in the payment of the redemption price.

Warrants Payable on Redemption Date; Interest to Cease to Accrue after Redemption Date

Notice of redemption having been given as aforesaid, the Warrants to be redeemed will, 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 will cease to bear interest. Installments of interest due prior to the redemption date will be paid to the registered holders of the Warrants on the relevant record dates.

Registration, Transfer, Exchange; Book Entry System

The Warrants are initially issued in Authorized Denominations pursuant to the Book-Entry System to be administered by the Securities Depository and registered in the name of and held by the Securities Depository Nominee. During the period in which the Securities Depository Nominee is the registered owner of the Warrants, purchases and transfers of ownership of beneficial interests in the Warrants will be evidenced by book-entry only, as more particularly provided in the Ordinance.

The Securities Depository may determine to discontinue the Book-Entry System with respect to the Warrants at any time upon notice to the City and the Paying Agent and upon discharge of its responsibilities with respect thereto under applicable law. Upon such notice and compliance with law the Book-Entry System for the Warrants will be discontinued unless a successor securities depository is appointed by the City.

In the event the Book-Entry System for the Warrants is discontinued, Warrants in certificated form in Authorized Denominations will be physically distributed to the owners of beneficial interests in the Warrants, the Warrants will be registered in the names of the owners thereof on the registration books of the Paying Agent pertaining thereto, and the following provisions with respect to registration, transfer and exchange of the Warrants by the registered owners thereof shall apply, subject to the further conditions set forth in the Ordinance with respect thereto:

(a) The Warrants may be transferred by the registered owner in person or by authorized attorney, only on the Warrant Register maintained by the Paying Agent and only upon surrender of the Warrant to the Paying Agent for cancellation with a written instrument of transfer acceptable to the Paying Agent executed by the registered owner or his duly authorized attorney, and upon any such transfer, a new Warrant of like tenor shall be issued to the transferee in exchange therefor.

(b) The registered owner of any Warrant in a face amount of more than the smallest Authorized Denomination may surrender the same in exchange for more than one Warrant, each in the principal amount which is an integral multiple of an Authorized Denomination, having the same year of maturity as the Warrant so surrendered and the same aggregate principal amount. The registered owner of two or more Warrants having the same principal maturity may surrender the same in exchange for a single Warrant in the aggregate principal amount of the Warrants so surrendered.

(c) The Paying Agent shall not be required to transfer or exchange any Warrant during the period from the Record Date and the then next succeeding Interest Payment Date; and in the event that any Warrant (or any part thereof) is duly called for redemption, the Paying Agent shall not be required to register or transfer any such Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption.

No charge shall be made for the privilege of transfer or exchange, but the registered owner of any Warrant requesting any such transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto. The registered owner of any Warrant will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant.

The Ordinance provides that each registered owner of the Warrants, by receiving or accepting the Warrant, consents and agrees and is estopped to deny that, insofar as the City and the Paying Agent are concerned, the Warrant may be transferred only in accordance with the provisions of the Ordinance.

General

The Ordinance provides that, as a condition of, and a consideration of, the issuance of the Warrants, each Holder or Beneficial Owner thereof, by acceptance of a Warrant shall have agreed that no covenant or agreement contained in this warrant or in the Ordinance shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the City or of the Paying Agent in its individual capacity and none of such parties or persons nor any officer executing this warrant shall be liable personally on this warrant or be subject to any personal liability or accountability by reason of the issuance of this warrant.

This warrant shall not be valid or become obligatory for any purpose until the Certificate of Authentication and Registration inscribed hereon shall have been executed by the Paying Agent by the manual signature of one of its authorized officers.

It is hereby recited, certified 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 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 authorization, execution, registration and issuance of this warrant and the adoption of the Ordinance, have happened, do exist and have been performed in due time, form and manner as so required by law and that the principal amount of this warrant, together with all other indebtedness of the City, are within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

IN WITNESS WHEREOF, the City, acting by and through the City Council of the City as the governing body thereof, has caused this warrant to be executed in its name and on its behalf by the Mayor of the City, has caused its corporate seal to be affixed hereto and the same attested by the City Clerk of the City, and has caused this warrant to be dated the date and year specified above.

CITY OF VESTAVIA HILLS, ALABAMA

By: _____
Mayor

SEAL

Attest: _____
City Clerk

REGISTRATION CERTIFICATE

The undersigned hereby certifies that this Warrant has been duly registered as a claim against the City of Vestavia Hills, in the State of Alabama, and the Warrant Fund referred to herein.

Finance Director of the
City of Vestavia Hills, Alabama

AUTHENTICATION AND REGISTRATION DATE: July 14, 2016

**CERTIFICATE OF AUTHENTICATION
AND REGISTRATION**

This warrant is hereby authenticated and has been registered by the City of Vestavia Hills, Alabama on the registration books maintained with the Paying Agent in the name of the above registered owner on the Authentication and Registration Date noted above.

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, NATIONAL ASSOCIATION**

By _____
Its Authorized Officer

ASSIGNMENT

For value received _____ hereby sell(s), assign(s), and transfer(s) unto _____ the within Warrant and hereby irrevocably constitute(s) and appoint(s) _____, attorney, with full power of substitution in the premises, to transfer this Warrant on the books of the within mentioned Paying Agent.

Dated this ____ day of _____, ____.

NOTE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Warrant in every particular, without alteration, enlargement or change whatsoever.

Signature Guaranteed:*

(Bank, Trust Company or Firm)

By _____
(Authorized Officer)

* 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).

Notice By Securities Depository

Unless the within Warrant is presented by an authorized representative of the Securities Depository (as defined in the Ordinance referenced in the within Warrant), to the City or its agent for registration of transfer, exchange, or payment, and any Warrant issued is registered in the name of the Securities Depository or the Securities Depository Nominee (as defined in the Ordinance referenced in the within Warrant), as the case may be, or in such other name as is requested by an authorized representative of the Securities Depository (and any payment is made to the Securities Depository or the Securities Depository Nominee or to such other entity as is requested by an authorized representative of the Securities Depository), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, the Securities Depository or Securities Depository Nominee, as the case may be, has an interest herein.

Section 3.03 Execution, Authentication and Delivery of Warrants

(a) The Warrants shall be executed in the name of and on behalf of the City by signature of the Mayor, shall be sealed with the seal of the City imprinted thereon, and said seal and said Warrants shall be attested by the City Clerk of the City. The Warrants shall be registered by the Finance Director of the City as a claim against the City and the Warrant Fund. The Mayor, the City Clerk and the Finance Director of the City are hereby authorized and directed to so execute, attest and register the Warrants as provided above. All Warrants bearing the signature of officers in office on the date of signing thereof shall be valid and binding obligations, notwithstanding that before the delivery and payment therefor, such officers whose signatures appear thereon shall have ceased to be officers of the City.

(b) The Paying Agent is hereby directed to execute the Authentication and Registration Certificate appearing on each Warrant.

(c) No Warrant issued hereunder shall be the valid and binding obligation of the City unless said Authentication and Registration Certificate shall have been executed as provided herein.

Section 3.04 Sale and Delivery of Warrants; Closing Papers

(a) The Warrants are hereby sold to The Frazer Lanier Company, Incorporated, upon the payment to the City of the purchase price of the Net Warrant Proceeds. The City has determined that the sale of the Warrants to such purchaser on such terms is most advantageous to the City.

(b) The Warrants shall be delivered to such purchaser through The Depository Trust Company, New York, New York, upon the payment to the City of the aforesaid purchase price. The Mayor and the City Clerk, or either of them, are hereby authorized and directed to effect such delivery and in connection therewith to deliver such closing papers containing such representations as are required to demonstrate the legality and validity of the Warrants; the exclusion of the interest on the Warrants from the gross income of the Holders thereof for federal income taxation; the exemption of interest on the Warrants from State of Alabama income taxation; and the absence of pending or threatened litigation with respect to any of such matters. The City Clerk shall give a receipt to the purchaser for the purchase price paid, and such receipt shall be full acquittal to the purchaser and said purchaser shall not be required to see to, or be responsible for, the application of the proceeds of the Warrants. Nevertheless, the proceeds of the Warrants shall be held in trust and applied solely for the purposes specified in this Ordinance.

Section 3.05 Approval of Official Statement for the Warrants

(a) The Official Statement dated June 29, 2016 (the "Official Statement") with respect to the Warrants in substantially the form and of substantially the content as the Official Statement presented to and considered by the City, is hereby authorized, approved and adopted.

(b) The City does hereby find and determine that the Official Statement is true and correct and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(c) The Mayor of the City is hereby authorized to date the Official Statement the date of delivery thereof and to execute and deliver the Official Statement for and on behalf of and in the name of the City, with such changes or additions thereto or deletions therefrom as the Mayor may deem necessary or desirable in order to state fully and correctly the pertinent facts concerning the City and the Warrants.

(d) The Mayor of the City is authorized and directed to cause distribution of the Official Statement to be made to prospective purchasers of the Warrants.

Section 3.06 Application of Proceeds of Warrants

The Net Warrant Proceeds shall be applied as follows on the date of issuance of the Warrants:

(a) The amount of \$10,923,875.27 shall be delivered to The Bank of New York Mellon Trust Company, National Association, as paying agent, for the payment and retirement of the Refunded Warrants pursuant to the Series 2009-A Refunding Trust Agreement; and

(b) The amount of \$2,004,186.28 shall be held by the City and applied to the payment of the Series 2016 Capital Improvements.

(c) The amount of \$87,939.00 shall be applied by the City to the payment of the expenses of issuing the Warrants, and any amount thereof remaining after such expenses shall have been paid shall be applied to the payment of the Series 2016 Capital Improvements.

Section 3.07 Refunding and Redemption of Refunded Warrants of the Issuer

(a) The City does hereby call for redemption the Refunded Warrants on February 1, 2019 at a redemption price equal to 100% of the principal amount thereof plus interest accrued thereon to the redemption date.

(b) The City does hereby confer upon the Paying Agent irrevocable power to give, for and in the name of the City, a notice of redemption of the Refunded Warrants of the City in accordance with the terms thereof.

(c) The Paying Agent is hereby directed to effect redemption of the Refunded Warrants of the City as provided herein.

(d) The City covenants and agrees it will not amend or repeal the call for redemption of the Refunded Warrants as provided herein.

ARTICLE 4

Registration of Warrants

Section 4.01 Registration of Warrants

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

(b) The Paying Agent is hereby appointed "Warrant Registrar" for the purpose of registering Warrants and transfers of Warrants as herein provided.

Section 4.02 Registration, Transfer, and Exchange of Warrants; Replacement of Mutilated, Lost, Destroyed or Stolen Warrants

(a) The Warrants will be registered in the names of the Holders thereof on the Warrant Register. The City, the Paying Agent and any agent of the City or the Paying Agent may treat the person in whose name any Warrant is registered as the owner of such Warrant for the purpose of receiving payment of principal of and interest on such Warrant and for all other purposes whatsoever whether or not such Warrant be 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.

(b) Upon surrender for transfer of any Warrant at the Principal Office of the Paying Agent, the City shall execute, and the Paying Agent shall authenticate, register and deliver, in the name of the designated transferee or transferees, one or more new Warrants of the same series, of any Authorized Denominations and in a principal amount equal to the unpaid or unredeemed portion of the principal of the Warrant so presented.

(c) If and to the extent so provided with respect to the Warrants, at the option of the Holder, Warrants may be exchanged for other Warrants of any Authorized Denomination and of a like aggregate principal amount, upon surrender of the Warrants to be exchanged at the Principal Office of the Paying Agent. Whenever any Warrants are so surrendered for exchange, the City shall execute, and the Paying Agent shall authenticate, register and deliver, the Warrants which the Holder making the exchange is entitled to receive.

(d) Every Warrant presented or surrendered for transfer or exchange shall (if so required by the City or the Warrant Registrar) be duly endorsed or be accompanied by a written instrument of transfer in form satisfactory to the City and the Warrant Registrar duly executed by the Holder thereof or his attorney duly authorized in writing.

(e) The Paying Agent shall not be required to transfer or exchange any Warrant during the period between the Record Date and the then next succeeding Interest Payment Date; and, in the event that any Warrant (or any part thereof) is duly called for redemption, the Paying Agent shall not be required to transfer or exchange any such Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption.

(f) All Warrants surrendered upon any exchange or transfer provided for in this Resolution and Order shall be cancelled as provided in Section 4.04.

(g) If (1) 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 (2) 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 the Paying Agent shall authenticate, register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Warrant, a new Warrant of the same series and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

(h) No charge shall be made for the privilege of transfer or exchange, but the registered owner of any Warrant requesting any such transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto. The registered owner of any Warrant will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant.

(i) All Warrants issued upon any transfer or exchange of Warrants shall be the valid obligations of the City and be entitled to the same security and benefits under this Resolution and Order as the Warrants surrendered upon such transfer or exchange, and every new Warrant issued pursuant to this Section 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.

(j) 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 Warrants.

Section 4.03 Book-Entry System

(a) The Warrants shall be issued pursuant to a Book-Entry System administered by the Securities Depository with no physical distribution of any Warrant to any Person. One Warrant for each maturity will be issued, registered in the name of the Securities Depository Nominee, and immobilized in the custody of the Securities Depository. Beneficial ownership interests in Warrants held by the Securities Depository may be purchased by or through Direct Participants. The holders of these beneficial ownership interests in such Warrants are referred to as the "Beneficial Owners". The Beneficial Owners will not receive certificated warrants representing their beneficial ownership interests. Ownership of the interests in Warrants in Authorized Denominations will be evidenced on the records of the Securities Depository and the Direct Participants and Indirect Participants pursuant to rules and procedures established by the Securities Depository. During a period in which the Book-Entry System is in effect for the Warrants the City and the Paying Agent shall treat the Securities Depository or the Securities Depository Nominee as the only registered owner of such Warrants for all purposes under this Ordinance, including, without limitation, receipt of all principal of, premium (if any) and interest on the Warrants, receipt of notices, voting, and requesting or directing the Paying Agent or City to take or not to take, or consenting to, certain actions under this Ordinance. In the event the Securities Depository or the Securities Depository Nominee assigns its rights to consent or vote under this Ordinance to any Direct Participant or Indirect Participant, the City and the Paying Agent shall treat such assignee or assignees

as the only registered owner or owners of the Warrants for the purpose of exercising such rights so assigned.

(b) During a period in which the Book-Entry System is in effect for the Warrants, payments of principal, interest, and redemption premium, if any, with respect to such Warrants will be paid by the Paying Agent directly to the Securities Depository, or the Securities Depository Nominee, as Holder, and as provided in the Letter of Representation; provided, that payment of the principal of (and premium, if any, on) such Warrants due at final maturity or upon redemption in whole of any of such Warrants shall be made only upon surrender thereof at the Principal Office of the Paying Agent. The Securities Depository and the Direct Participants and the Indirect Participants shall be responsible for the disbursement of such payments to the Beneficial Owners. All such payments to the Securities Depository or the Securities Depository Nominee, as Holder, of principal of, premium (if any) and interest on such Warrants on behalf of the City or the Paying Agent shall be valid and effectual to satisfy and discharge the liability of the City and the Paying Agent to the extent of the amounts so paid, and the City and the Paying Agent shall not be responsible or liable for payment to any Beneficial Owner by the Securities Depository or by any Direct Participant or by any Indirect Participant, or for sending transaction statements or for maintaining, supervising or reviewing records maintained by the Securities Depository or Direct Participants or Indirect Direct Participants.

(c) Transfers of ownership interests in the Warrants by the Beneficial Owners thereof, and conveyance of notices and other communications by the Securities Depository to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners of the Warrants, will be governed by arrangements among the Securities Depository, Direct Participants, Indirect Participants and the Beneficial Owners, subject to any statutory and regulatory requirements as may be in effect from time to time. For every transfer and exchange of beneficial ownership in such Warrants, the Beneficial Owners may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

(d) Redemption notices respecting Warrants held by the Securities Depository shall be sent to the Securities Depository Nominee by the Paying Agent and redemption of Warrants shall be effected as provided in Article 6.

(e) The City may enter into a custody agreement with any bank or trust company serving as custodian (which may be the Paying Agent serving in the capacity of custodian) to provide for a Book-Entry System or similar method for the registration and transfer of the Warrants.

(f) During a period in which the Book-Entry System is in effect for the Warrants in accordance herewith, the provisions of this Ordinance and such Warrants shall be construed in accordance with the Letter of Representation and to give full effect to such Book-Entry System.

(g) The Beneficial Owners of all the Warrants, by their acquisition of any beneficial interest in a Warrant or Warrants, and the Securities Depository, the Securities Depository Nominee, and all Direct Participants and all Indirect Participants, severally agree that the City and the Paying Agent shall not have any responsibility or obligation to any Direct Participant or any Indirect Participant or any Beneficial Owner with respect to (1) the accuracy of any records maintained by the Securities Depository or any Direct Participant or any Indirect Participant; (2) the payment by the Securities Depository or any Direct Participant or any Indirect Participant of any amount due to any Beneficial Owner in respect of the principal of, premium (if any) and interest on the Warrants; (3) the delivery or timeliness of delivery by

the Securities Depository or any Direct Participant or any Indirect Participant of any notice due to any Beneficial Owner which is required or permitted under the terms of this Ordinance to be given to Beneficial Owners; or (4) any consent given or other action taken by the Securities Depository, or the Securities Depository Nominee, as owner.

(h) The Securities Depository may determine to discontinue the Book-Entry System with respect to the Warrants at any time upon notice to the City and the Paying Agent and upon discharge of its responsibilities with respect thereto under applicable law. Upon such notice and compliance with law the Book-Entry System for the Warrants will be discontinued unless a successor securities depository is appointed by the City.

(i) In the event the Book-Entry System for the Warrants is discontinued, Warrants in certificated form in Authorized Denominations will be physically distributed to the Beneficial Owners thereof and such Warrants will be registered in the names of the owners thereof on the Warrant Register, the Paying Agent will make payments of principal of, premium (if any) and interest on such Warrants to the registered owners thereof as provided in the Warrants and this Ordinance, and the following provisions with respect to registration, transfer and exchange of such Warrants by the registered owners thereof shall apply.

Section 4.04 Cancellation of Surrendered Warrants

All Warrants surrendered for payment, redemption, transfer or exchange, shall be promptly cancelled by the Paying Agent. No Warrant shall be authenticated in lieu of or in exchange for any Warrant cancelled as provided in this Section, except as expressly provided by this Ordinance. All cancelled Warrants held by the Paying Agent shall be destroyed and certificates thereof furnished to the City.

ARTICLE 5

Payment and Defeasance of Warrants

Section 5.01 Payment of Warrants; Payment Dates; Persons Deemed Owners

(a) The principal of, premium (if any) and interest on the Warrants shall be payable at the Principal Office of the Paying Agent and as provided in this Ordinance and in the Warrants; provided, the final principal payment on such Warrants shall be payable only upon presentation thereof at the Principal Office of the Paying Agent.

(b) If any payment on the 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.

(c) The City, the Paying Agent and any agent of the City or the Paying Agent may treat the Person in whose name any Warrant is registered as the owner of such Warrant for the purpose of receiving payment of principal of, premium (if any) and interest on such Warrant and for all other purposes whatsoever whether or not such Warrant be 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 5.02 Defeasance of Warrants

(a) Warrants for the payment or redemption of which moneys shall have been set aside and held by the Paying Agent on the maturity or redemption date thereof shall be deemed to have been paid and no longer Outstanding under this Ordinance.

(b) Warrants shall, prior to the maturity or redemption date thereof, be deemed to have been paid and no longer Outstanding under this Ordinance if (1) in case any of said Warrants are to be redeemed on any date prior to their maturity, the City shall have given to the Paying Agent in form satisfactory to it irrevocable instructions to give and publish notice of redemption thereof on such date, (2) there shall have been deposited with the Paying Agent either moneys in an amount which shall be sufficient, or Federal Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same time and available for such purpose, shall be sufficient, to pay when due the principal of, premium (if any) and interest due and to become due on said Warrants on and prior to the redemption date or maturity date thereof, as the case may be, and (3) in the event said Warrants are not by their terms subject to redemption or payment within the next succeeding 90 days, the City shall have given the Paying Agent in form satisfactory to it irrevocable instructions to mail a notice to the Holders thereof that the deposit required by clause (2) of this subsection has been made with the Paying Agent and that said Warrants are deemed to have been paid in accordance with this Section and no longer Outstanding under this Ordinance and stating such maturity or redemption date or dates upon which moneys are to be available for the payment of the principal of and premium (if any) on said Warrants.

(c) Neither Federal Securities nor moneys deposited with the Paying Agent pursuant to this Section nor principal nor interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or redemption price, if applicable, and interest on said Warrants; provided that any cash received from such principal or interest payments on such Federal Securities deposited with the Paying Agent, if not then needed for such purpose, shall, to the extent practicable, be reinvested, at the written direction of the City, in Federal Securities maturing at times and in amounts sufficient to pay when due the principal, premium (if any) and interest to become due on said Warrants on and prior to such redemption date or maturity date thereof, as the case may be.

(d) Any amounts remaining in the Warrant Fund after payment in full of the Warrants (or provision having been made therefor in accordance with this Article), and payment of the fees, charges and expenses of the Paying Agent and all other amounts required to be paid hereunder, shall be paid to the City.

Section 5.03 Expenses of Collection

The City hereby covenants and agrees that, if the principal of and interest on the Warrants are not paid promptly as such principal and interest matures and comes due, it will pay to the Holders of the Warrants all expenses incident to the collection of any unpaid portion thereof, including reasonable attorneys' fees.

ARTICLE 6

Redemption of Warrants

Section 6.01 General Applicability of Article

The Warrants shall be subject to redemption in accordance with their terms and in accordance with this Article.

Section 6.02 Election to Redeem; Notice to Paying Agent

The election of the City to exercise any right of optional redemption shall be given by written notice to the Paying Agent not less than 45 days prior to the proposed redemption date. In case of any redemption at the option of the City of less than all of the principal amount of the Outstanding Warrants, the City shall, at least 60 days prior to the date fixed by the City for redemption of Warrants (unless a shorter notice shall be satisfactory to the Paying Agent) notify the Paying Agent of such redemption date and of the principal amount of Warrants to be redeemed.

Section 6.03 Selection of Warrants to be Redeemed

(a) If less than all of the Outstanding Warrants are to be redeemed during a period in which the Book-Entry System is in effect for the Warrants, the City shall designate the order and amount of maturities of the Warrants (or portions thereof) to be redeemed not less than 45 nor more than 60 days prior to the redemption date from the Outstanding Warrants which have not previously been called for redemption, and, in accordance with the Letter of Representation, the Securities Depository may determine the amount of the interest of each Direct Participant in those Warrants to be redeemed, on the basis of the smallest Authorized Denomination of such Warrants, by lot or by such other method as the Securities Depository shall deem fair and appropriate.

(b) If less than all of the Outstanding Warrants are to be redeemed during a period in which the Book-Entry System is not in effect for the Warrants, the City shall designate the order and amount of maturities of the Warrants (or portions thereof) to be redeemed not less than 45 nor more than 60 days prior to the redemption date from the Outstanding Warrants which have not previously been called for redemption, on the basis of the smallest Authorized Denomination of such Warrants, and the Paying Agent shall select, by lot or by such method as the Paying Agent shall deem fair and appropriate, the order and amount of Warrants to be redeemed within a maturity.

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

Section 6.04 Notice of Redemption

(a) Notice of any intended redemption shall be given by the Paying Agent to the Holder of each Warrant, all or a portion of the principal of which is to be redeemed, not less than 30 days prior to the proposed redemption date, by United States registered or certified mail (first class, postage prepaid), or, if the Securities Depository or Securities Depository Nominee is the Holder, at the times and in the manner as provided in the Letter of Representation, at the address of such Holder

appearing in the Warrant Register; provided, however, any Holder may waive the requirement of notice as to the redemption (in whole or in part) of the Warrant or Warrants thereof. During a period in which the Book-Entry System is in effect, notice of any intended redemption may also be given to each Beneficial Owner, all or portion of the interest of which in such Warrants is to be redeemed, by the Direct Participants and, where appropriate, by the Indirect Participants, pursuant to arrangements among said parties, subject to statutory and regulatory requirements in effect from time to time; provided, however, any Beneficial Owner may waive the requirement of notice as to the redemption of the interest thereof in the Warrants.

- (b) All notices of redemption shall state:
 - (1) the redemption date,
 - (2) the redemption price,
 - (3) the principal amount of Warrants to be redeemed, and, if less than all Outstanding Warrants are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Warrants to be redeemed,
 - (4) that on the redemption date the redemption price of each of the 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 Warrants to be redeemed are to be surrendered for payment of the redemption price.

Section 6.05 Payment of Redemption Price

Prior to any redemption date, the City shall deposit or cause to be deposited with the Paying Agent an amount of money sufficient to pay the redemption price of all the Warrants which are to be redeemed on that date. Such money shall be held in trust for the benefit of the persons entitled to such redemption price.

Section 6.06 Warrants Payable on Redemption Date

(a) Notice of redemption having been given as aforesaid, 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 presentation of any such Warrant for redemption, or compliance with the requirements of the Securities Depository with respect to redemption in part, in accordance with said notice such Warrant shall be paid by the City at the redemption price. Installments of interest due on or prior to the redemption date shall be payable to the Holders of the Warrants according to the terms of such Warrants and the provisions of this Ordinance.

(b) If any Warrant called for redemption shall not be so paid upon surrender thereof for redemption, the principal of the Warrant to be so redeemed shall, until paid, continue to bear interest from the redemption date at the rate prescribed in such Warrant.

Section 6.07 Warrants Redeemed in Part

(a) During a period in which the Book-Entry System is in effect for the Warrants, the recordation and evidence of any reduction in the aggregate principal amount of the Warrants as a result of the redemption of a portion thereof shall be made in accordance with the Letter of Representation and the rules and procedures of the Securities Depository with respect thereto from time to time in effect.

(b) During a period in which the Book-Entry System is not in effect for the Warrants, unless otherwise provided herein, any Warrant which is to be redeemed only in part shall be surrendered at the principal corporate trust office of the Paying Agent (with, if the City or the Paying Agent requires, due endorsement by, or a written instrument of assignment or 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 Warrant, without service charge, a new Warrant or Warrants of any Authorized Denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Warrant so surrendered.

ARTICLE 7

The Warrant Fund

Section 7.01 The Warrant Fund

(a) (1) There is hereby established a special fund which shall be designated the "Warrant Fund".

(2) The Paying Agent shall be the depository, custodian and disbursing agent for the Warrant Fund.

(3) The money in the Warrant Fund shall be used only to pay principal of and interest on the Warrants as the same shall become due and payable.

(b) (1) The City shall deposit in the Warrant Fund the following amounts on the following dates:

(i) On or before the twentieth day of each January and July in each year, an amount equal to the interest coming due on the Warrants on the next ensuing Interest Payment Date.

(ii) On or before the twentieth day of each January in each year, an amount equal to the principal maturing or subject to mandatory redemption on the next ensuing principal payment date with respect to the Warrants.

(iii) Any money required to be deposited in the Warrant Fund pursuant to this Ordinance or received by the Paying Agent when accompanied by directions that such money is to be deposited in the Warrant Fund.

(2) The City and Paying Agent covenant and agree that (i) all money transferred to or deposited in the Warrant Fund shall be applied to the payment of principal of and interest on the Warrants within 13 months from the date of such transfer or deposit and (ii) all income and profits received from investment of money in the Warrant Fund shall be applied to the payment of principal of and interest on the Warrants within 12 months from the date of receipt of such income or profits.

(c) (1) The City acknowledges that deposits and transfers to the Warrant Fund required by this Section have been calculated to provide amounts which will be sufficient to pay the principal of and interest on the Warrants as the same shall become due and payable.

(2) If on any principal or interest payment date the amount on deposit in the Warrant Fund is insufficient to pay the principal of and interest on the Warrants due and payable on such date, the City will forthwith pay any such deficiency into the Warrant Fund.

(d) The City hereby authorizes and directs the Paying Agent to withdraw sufficient money from the Warrant Fund to pay the principal of and interest on the Warrants as the same shall become due and payable, whether at maturity or otherwise.

(e) The City shall collect the revenues, income, taxes, assets and resources of the City and the City shall promptly deposit into the Warrant Fund from the aforesaid sources all amounts required to be deposited in the Warrant Fund at the times therefor.

Section 7.02 Investment of and Security For Warrant Fund

(a) The Paying Agent shall invest money in the Warrant Fund at the written direction of the City in Qualified Investments. Investments shall be made so that a sufficient principal amount shall mature or be redeemable at the option of the holder on or prior to the date or dates the City and the Paying Agent anticipate that money from the Warrant Fund will be required hereunder. The Paying Agent shall not be liable or responsible for any loss resulting from any such investment if made in compliance herewith.

(b) All income derived from the investment of money on deposit in the Warrant Fund shall remain therein and be credited against the next ensuing deposit specified therefor, and all losses resulting from liquidation of investments in the Warrant Fund shall be charged thereto and added to the next ensuing deposit specified therefor.

(c) The moneys at any time on deposit in the Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which the Warrant Fund was created. The Paying Agent shall at all times keep the moneys on deposit in the Warrant Fund continuously secured for the benefit of the City and the registered owners of the Warrants, either (1) by holding on deposit as collateral security Federal Securities or other marketable securities eligible as security for the deposit of public trust funds under regulations of the Comptroller of the Currency, United States Treasury, having a market value at any date of calculation (exclusive of accrued interest) not less than the amount of moneys on deposit in the fund being secured, or (2) if the furnishing of security in the manner provided in (1) above is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the then applicable state and federal laws and regulations respecting the

security for, or granting a preference in the case of, the deposit of public trust funds; provided, however, that it shall not be necessary for the Paying Agent to secure any portion of the moneys on deposit in any such fund that may be insured by the Federal Deposit Insurance Corporation or by any agency of the United States of America that may succeed to its functions, or to secure any portion of the moneys that are invested as herein provided.

ARTICLE 8

Special Covenants of the City Respecting Federal Tax Matters

(a) The City covenants and agrees to duly and punctually observe and perform all agreements and covenants thereof under the Tax Certificate and Agreement.

(b) The City covenants and agrees that it will not take any action, or fail to take any action, if such action or failure to act would cause the interest on the Warrants to be Taxable.

ARTICLE 9

Approval of Agreements

Section 9.01 Approval of Continuing Disclosure Agreement

(a) The Continuing Disclosure Agreement, in substantially the form and of substantially the content as the form of Continuing Disclosure Agreement presented to and considered by the City Council of the City, is hereby authorized, approved and adopted.

(b) The Mayor of the City is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement for and on behalf of and in the name of the City, with such changes or additions thereto or deletions therefrom as he may deem necessary or desirable and shall approve, which approval shall be conclusively evidenced by his executing the Continuing Disclosure Agreement as herein provided, and the City Clerk is hereby authorized and directed to affix to the Continuing Disclosure Agreement the seal of the City and to attest the same.

Section 9.02 Approval of Warrant Purchase Agreement

(a) The Warrant Purchase Agreement, in substantially the form and of substantially the content as the form of Warrant Purchase Agreement presented to and considered by the City, is hereby authorized, approved and adopted.

(b) The Mayor of the City is hereby authorized and directed to execute and deliver the Warrant Purchase Agreement for and on behalf of and in the name of the City, with such changes or additions thereto or deletions therefrom as the Mayor may deem necessary or desirable and shall approve, which approval shall be conclusively evidenced by execution by the Mayor of the City of the Warrant Purchase Agreement as herein provided, and the City Clerk is hereby authorized and directed to affix to the Warrant Purchase Agreement the seal of the City and to attest the same.

(c) Any prior execution of the Warrant Purchase Agreement by the Mayor and City Clerk is hereby ratified and approved.

Section 9.03 Approval of Series 2009-A Refunding Trust Agreement

(a) The Series 2009-A Refunding Trust Agreement, in substantially the form and of substantially the content as the form of Series 2009-A Refunding Trust Agreement presented to and considered by the City, is hereby authorized, approved and adopted.

(b) The Mayor of the City is hereby authorized and directed to execute and deliver the Series 2009-A Refunding Trust Agreement for and on behalf of and in the name of the City, with such changes or additions thereto or deletions therefrom as the Mayor may deem necessary or desirable and shall approve, which approval shall be conclusively evidenced by execution by the Mayor of the City of the Series 2009-A Refunding Trust Agreement as herein provided, and the City Clerk is hereby authorized and directed to affix to the Series 2009-A Refunding Trust Agreement the seal of the City and to attest the same.

ARTICLE 10

The Paying Agent

Section 10.01 Designation of Paying Agent

The City does hereby designate and appoint The Bank of New York Mellon Trust Company, National Association as the depository for the Warrant Fund and as Paying Agent, Warrant Registrar and authenticating agent for and with respect to the Warrants.

Section 10.02 Duties of Paying Agent; Payments at Par

(a) The Paying Agent, by acceptance of its duties hereunder, shall have agreed thereby with the registered owners from time to time of the Warrants that it will make all remittances of principal of, premium (if any), and interest on the Warrants from money supplied by the City for such purpose in bankable funds at par and without discount or deduction for exchange, fees or expenses. The City hereby covenants and agrees with the registered owners of the Warrants and with the Paying Agent that it will pay all charges for exchange, fees or expenses which may be incurred by the Paying Agent in the making of remittances in bankable funds at par.

(b) The Paying Agent shall not be liable hereunder except for its noncompliance with the provisions hereof, its willful misconduct or its gross negligence.

(1) It may execute any of the powers conferred on it hereunder or perform any duty hereunder either directly or through agents and attorneys in fact who are not regularly in its employ and who are selected by it with reasonable care, but it shall be responsible for the observance by such agents and attorneys in fact of the terms and conditions hereof.

(2) It may consult with counsel on any matters connected herewith and shall not be answerable for any action taken or failure to take any action in good faith on the advice of counsel, provided that its action or inaction is not contrary to an express provision hereof.

(3) It need not recognize a Holder of a Warrant as such without the satisfactory establishment of his title to such warrant.

(4) It shall not be answerable for any action taken in good faith on any notice, request, consent, certificate or other paper or document which it believes to be genuine and signed or acknowledged by the proper party.

(5) It shall be entitled to reasonable compensation for its services hereunder, including extra compensation for unusual or extraordinary services.

(6) Any action taken by the Paying Agent at the request of and with the consent of the Holder of a Warrant will bind all subsequent Holders of the same Warrant and any warrants issued hereunder in lieu thereof.

(7) It may treat the Holder of Warrants as if not Paying Agent hereunder.

(8) It shall not be liable for proper application of any moneys other than those that may be paid to or deposited with it.

(9) It shall not unreasonably withhold or delay any consent or approval required of it under the provisions of this Ordinance.

(10) All moneys received by the Paying Agent to be held by it hereunder shall be held as trust funds until disbursed in the manner herein provided therefor. The Paying Agent shall not be liable to pay or allow interest thereon or otherwise to invest any such moneys except as specifically required herein.

(11) It may make any investments permitted hereby through its own investment department or affiliated entity, and any Qualified Investments issued or held by it hereunder shall be deemed investments and not deposits.

(12) It shall, upon reasonable request, advise the City of the amount at the time on deposit in any of the special funds herein created.

(13) The recitals of fact herein and in the Warrants are statements by the City and not by the Paying Agent, and the Paying Agent is in no way responsible for the validity or security of the Warrants, or the validity or enforceability of the Ordinance. The Paying Agent does, however, assume responsibility for its eligibility to accept and administer the duties created hereby, and it agrees and represents that it is duly authorized to accept and administer such duties and that the acceptance and administration by it of such duties do not violate or contravene, and are not void or voidable under, any applicable state or federal law now existing.

(14) The Paying Agent shall have no obligation to file financing statements or continuation statements.

(15) The Paying Agent's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Ordinance shall extend to the Paying Agent's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Paying Agent's right to compensation, shall survive the Paying Agent's resignation or removal, the discharge of this Ordinance, and final payment of the Warrants.

Section 10.03 Resignation and Removal; Appointment of Successor

(a) The Paying Agent may resign and be discharged of all duties imposed upon it as Paying Agent, Warrant Registrar and transfer agent by giving written notice of such resignation by certified or registered mail to the City at least 30 days prior to the date when such resignation shall take effect.

(b) If at any time the Paying Agent shall resign or be or become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Paying Agent or of its property shall be appointed or any public officer shall take charge or control of the Paying Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the City may remove the Paying Agent and the City shall promptly appoint a successor Paying Agent.

Section 10.04 Qualification of and Acceptance of Appointment by Successor

(a) Any successor Paying Agent shall be a bank or trust company authorized to act as Paying Agent and Warrant Registrar and having, at the time of its acceptance of such appointment, combined capital and surplus of at least \$50,000,000.

(b) Every successor Paying Agent appointed hereunder shall execute, acknowledge and deliver to the City and to the retiring Paying Agent an instrument accepting such appointment and thereupon the resignation or removal of the retiring Paying Agent shall become effective and such successor Paying Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, and duties of the retiring Paying Agent.

Section 10.05 Merger or Consolidation

Any corporation into which the Paying Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Paying Agent shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Paying Agent, shall be the successor of the Paying Agent hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Warrants shall have been authenticated, but not delivered, by the Paying Agent then in office, any successor by merger or consolidation to such authenticating Paying Agent may adopt such authentication and deliver the Warrants so authenticated with the same effect as if such successor Paying Agent had itself authenticated such Warrants.

ARTICLE 11

Provisions of General Application

Section 11.01 Effect of Headings and Table of Contents

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

Section 11.02 Binding Effect Upon Successors and Assigns

All the covenants, stipulations, promises and agreements in this Ordinance contained by or on behalf of the City shall inure to the benefit of and bind its successors and assigns.

Section 11.03 Governing Law

This Ordinance shall be construed in accordance with and governed by the laws of the State of Alabama.

Section 11.04 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.

ARTICLE 12

Provision of Ordinance a Contract; Enforceability and Severability; Remedies

(a) The terms, provisions and conditions set forth in this Ordinance constitute a contract between the City and the registered owners of the Warrants and shall remain in effect until the principal of and interest on the Warrants shall have been paid in full as provided in Section 5.02.

(b) The provisions of this Ordinance are severable. In the event that any one or more of such provisions or the provisions of the Warrants shall, for any reason, be held illegal or invalid, such illegality or invalidity shall not affect the other provisions of this Ordinance or of the Warrants, and this Ordinance and the Warrants shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

(c) The City agrees (i) the registered owners of the Warrants shall have all rights and remedies for the enforcement of the Warrants and this Ordinance as may be provided by the laws of the State of Alabama, including particularly the Enabling Law, and (ii) the Finance Director (or any successor to the duties and functions thereof) of the City is subject to mandamus in the event such officer has money available for payment of principal of and interest on the Warrants and does not, as required by this Ordinance, deposit such money in the Warrant Fund, when and as required by Section 7.01 of this Ordinance in each Fiscal Year, and apply such proceeds (and investment earnings thereon) to the payment of the principal of and interest on the Warrants when and as the same become due and payable in each Fiscal Year in amounts sufficient for such purposes.

DONE, ORDERED, ADOPTED and APPROVED this July 11, 2016.

Alberto C. Zaragoza, Jr., Mayor

S E A L

Attest: _____
City Clerk

It was moved by Councilmember _____ that all rules and regulations which, unless suspended, would prevent the immediate consideration and adoption of the said ordinance be suspended and that unanimous consent to the immediate consideration and adoption of the said ordinance be given. The motion was seconded by Councilmember _____ and on roll call was unanimously adopted, those answering aye being:

Ayes: Alberto C. Zaragoza, Jr., Mayor
 Steve Ammons, Mayor Pro-Tempore
 George Pierce
 John Henley
 Jim Sharp

Nays: None

The Mayor declared the motion unanimously carried.

After said ordinance had been discussed and considered in full by the Council, it was moved by Councilmember _____ that said ordinance be now placed upon its final passage and adopted. The motion was seconded by Councilmember _____. The question being put as to the adoption of said motion and the final passage and adoption of said ordinance, the roll was called with the following results:

Ayes: Alberto C. Zaragoza, Jr., Mayor
 Steve Ammons, Mayor Pro-Tempore
 George Pierce
 John Henley
 Jim Sharp

Nays: None

The Mayor thereupon declared said motion carried and the ordinance passed and adopted as introduced and read.

* * * *

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

Minutes approved:

Mayor

Member of the City Council

Member of the City Council

Member of the City Council

Member of the City Council

SEAL

Attest: _____
City Clerk

STATE OF ALABAMA)
JEFFERSON COUNTY)

CERTIFICATE OF CITY CLERK

I, the undersigned, do hereby certify that (1) I am the duly elected, qualified and acting City Clerk of the City of Vestavia Hills, Alabama (the "Municipality"); (2) as Clerk of the Municipality I have access to all original records of the Municipality and I am duly authorized to make certified copies of its records on its behalf; (3) the above and foregoing pages constitute a complete, verbatim and compared copy of excerpts from the minutes of a regular meeting of the City Council of the Municipality duly held on July 11, 2016, the original of which is on file and of record in the minute book of the City Council in my custody; (4) the ordinance set forth in such excerpts is a complete, verbatim and compared copy of such ordinance as introduced and adopted by the City Council on such date; and (5) said ordinance is in full force and effect and has not been repealed, amended or changed.

IN WITNESS WHEREOF, I have hereunto set my hand as Clerk of the Municipality and have affixed the official seal of the Municipality, this July 14, 2016.

Clerk of the City of Vestavia Hills, Alabama

S E A L

**EXCERPTS FROM THE MINUTES OF A REGULAR MEETING OF
THE CITY COUNCIL OF THE CITY OF VESTAVIA HILLS, ALABAMA**

The City Council of the City of Vestavia Hills met in regular public session at the City Hall in the City of Vestavia Hills, Alabama, at 5:00 p.m. on July 11, 2016. The meeting was called to order by the Mayor Pro-Tempore, and the roll was called with the following results:

Present: Alberto C. Zaragoza, Jr., Mayor
 Steve Ammons, Mayor Pro-Tempore
 George Pierce
 John Henley
 Jim Sharp

Absent:

* * *

The Mayor stated that a quorum was present and that the meeting was open for the transaction of business.

* * *

Thereupon, the following ordinance was introduced in writing by the Mayor and considered by the City Council:

OFFICIAL STATEMENT

Ratings:
Fitch: AA+
Moody's: Aa1
(See "RATINGS" herein)

New Issue-Book-Entry Only

Maynard, Cooper & Gale, P.C., Bond Counsel, is of the opinion that, under existing law and upon the conditions and under the circumstances described herein under "TAX MATTERS", interest on the Warrants (i) is presently excluded from gross income for federal income tax purposes if the City complies with all requirements of the Internal Revenue Code that must be satisfied subsequent to the issuance of the Warrants in order that interest thereon be and remain excluded from gross income, and (ii) will not be an item of tax preference for purposes of the federal alternative minimum tax on individuals and corporations, and (iii) will be exempt from State of Alabama personal and corporate net income taxation. See "TAX MATTERS" herein for further information and certain other federal tax consequences arising with respect to the Warrants.

CITY OF VESTAVIA HILLS, ALABAMA
\$11,810,000
GENERAL OBLIGATION WARRANTS
SERIES 2016

Dated: July 14, 2016

Due: February 1, as shown on inside cover

The Warrants are general obligations of the City of Vestavia Hills, Alabama for the payment of which the full faith and credit of the City are irrevocably pledged. See "SOURCE OF PAYMENT; SECURITY FOR THE WARRANTS".

Interest on the Warrants is payable on February 1, 2017 and on each August 1 and February 1 thereafter. The Warrants will be subject to redemption prior to maturity as provided herein.

The Warrants are initially issuable as fully registered obligations without coupons in denominations of \$5,000 and any integral multiple thereof pursuant to a book-entry only system to be administered by The Depository Trust Company, New York, New York, or any successor or assign thereof or substitute therefor as such securities depository and, when issued, will be registered in the name of and held by Cede & Co., as nominee. The manner and terms upon which the payment of principal of, premium, if any, and interest on the Warrants, and the purchase and transfer of the Warrants or beneficial interests therein, shall be made when the book-entry only system is in effect for the Warrants, and with respect to the Warrants in certificated form when the book-entry only system is not in effect for the Warrants, are described herein under "THE WARRANTS" and Appendix D-Book-Entry Only System.

The Bank of New York Mellon Trust Company shall serve as the Paying Agent and Warrant Registrar for the Warrants.

FOR MATURITIES, AMOUNTS, INTEREST RATES, YIELDS, & CUSIP NUMBERS, SEE INSIDE FRONT COVER.

The Warrants are offered when, as and if issued by the City, subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of validity by Maynard, Cooper & Gale, P.C., Birmingham, Alabama, Bond Counsel, and certain other conditions. The City expects the Warrants will be available for delivery through the Securities Depository in New York, New York on or about July 14, 2016 against payment therefor.

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 FRAZER LANIER COMPANY,
Incorporated

Dated: June 29, 2016

CITY OF VESTAVIA HILLS, ALABAMA
\$11,810,000
GENERAL OBLIGATION WARRANTS
SERIES 2016

Dated: Date of Delivery

Due: February 1, as shown below

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield^[1]</u>	<u>CUSIP^[2]</u>
2019	\$110,000	3.000%	0.980%	925479 PU5
2020	580,000	4.000%	1.080%	925479 PV3
2021	850,000	4.000%	1.190%	925479 PW1
2022	905,000	3.000%	1.340%	925479 PX9
2023	1,320,000	4.000%	1.460%	925479 PY7
2024	1,485,000	4.000%	1.570%	925479 PZ4
2025	1,550,000	4.000%	1.670%	925479 QA8
2026	1,620,000	4.000%	1.770%	925479 QB6

\$3,390,000 2.000% Term Warrants Due February 1, 2028, Yield 2.150%, CUSIP 925479 QD2^[2]

Price of All Warrants: As shown above

^[1] Those of the Warrants having stated maturities after February 1, 2026 are priced at the stated yields to the February 1, 2026 optional redemption date at a redemption price of 100%.

^[2] CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of the McGraw Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services.

CITY OF VESTAVIA HILLS, ALABAMA

MAYOR

Alberto C. Zaragoza, Jr.

CITY COUNCIL

Steve Ammons, Mayor Pro-Tempore

John Henley

George Pierce

Jim Sharp

CITY MANAGER

Jeff Downes

FINANCE DIRECTOR

Melvin Turner III

CITY CLERK

Rebecca Leavings

CITY ATTORNEY

Patrick H. Boone

BOND COUNSEL

Maynard, Cooper & Gale, P.C.

UNDERWRITER

The Frazer Lanier Company, Incorporated

FINANCIAL ADVISOR

Rice Advisory, LLC

USE OF THIS OFFICIAL STATEMENT

This Official Statement is not to be construed as a contract or agreement between the City of Vestavia Hills, Alabama (the "City") and the purchasers or holders of the Warrants.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representation other than as contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been authorized by the City or the Underwriter.

This Official Statement does not constitute 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 in this Official Statement is provided as of the date of this Official Statement. Nothing contained in this Official Statement shall under any circumstances create an implication that there has been no change in such information after the date of this Official Statement.

The information set forth in this Official Statement has been obtained from the sources which are deemed to be reliable but is not guaranteed as to accuracy or completeness.

All estimates and assumptions contained herein are believed to be reliable, but no representation is made that such estimates or assumptions are correct or will be realized.

All quotations from and summaries and explanations of provisions of laws and documents in this Official Statement do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions.

In connection with this offering the Underwriter may engage in transactions that stabilize, maintain or otherwise affect the price of the Warrants. Such transactions may include purchases of the Warrants for the purpose of maintaining the price of the Warrants. Such transactions, if commenced, may be discontinued at any time.

The order and placement of material in this Official Statement, including its appendices, are not to be deemed a determination of relevance, materiality or importance, and all material in this Official Statement, including its appendices, must be considered in its entirety.

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 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.

This Official Statement is being provided to prospective purchasers either in bound printed format or in electronic format. This Official Statement may be relied upon only if it is in its bound printed format or as printed in its entirety in such electronic format.

In making an investment decision, investors must rely on their own examination of the terms of the offering, including the merits and risks involved.

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OFFICIAL STATEMENT

CITY OF VESTAVIA HILLS, ALABAMA

**\$11,810,000
GENERAL OBLIGATION WARRANTS
SERIES 2016**

INTRODUCTION

General

This Official Statement of the City of Vestavia Hills ("Vestavia Hills" or the "City") is furnished in connection with the sale and issuance of the above referenced Warrants (collectively the "Warrants").

The Warrants will be issued pursuant to an ordinance to be duly adopted by the governing body of the City for the purposes of (i) refunding those of the Series 2009-A Warrants of the City having stated maturities in 2020 through 2028, inclusive (the "Refunded Warrants"), which were heretofore issued to finance various capital improvements to the public facilities of the City; (ii) providing for capital improvements to the facilities of the City; and (iii) paying issuance expenses of the Warrants.

The Warrants will constitute general obligations of the City for the payment of which the full faith and credit thereof are irrevocably pledged. See "SOURCE OF PAYMENT; SECURITY FOR THE WARRANTS" hereinafter.

Investment Risks

The purchase of the Warrants involves certain risks. See "WARRANTHOLDER RISKS" hereinafter.

Further Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

For further information during the initial offering period with respect to the Warrants, contact the Finance Director of the City during normal business hours at: City Hall, 513 Montgomery Highway, Vestavia Hills, Alabama 35216; (205) 978-0130.

DEFINITIONS

Certain capitalized terms used in this Official Statement without definition shall have the following meanings:

Authorized Denominations means the amount of \$5,000 and any integral multiple thereof for each maturity.

Beneficial Owner shall have the meaning set forth in "BOOK-ENTRY ONLY SYSTEM" in Appendix D hereto.

Book-Entry System means a book-entry only system of evidence of purchase and transfer of beneficial ownership interests in the Warrants.

Business Day shall mean a day, other than a Saturday or a Sunday, on which commercial banking institutions are open for business in the State of Alabama and a day on which the payment system of the Federal Reserve System is operational.

City means the City of Vestavia Hills, Alabama, and its successors and assigns.

Code shall mean the Internal Revenue Code of 1986, as amended, and all references to specific sections of the Code shall be deemed to include any and all respective successor provisions to such sections.

Direct Participant or **Direct Participants** means securities brokers and dealers, banks, trust companies and clearing corporations which have access to the Book-Entry System.

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

Indirect Participant means a broker, dealer, bank or other financial institution for which the Securities Depository holds Warrants as securities depository through a Direct Participant.

Interest Payment Date means each February 1 and August 1.

Outstanding Series 2009-A Warrants means those of the General Obligation Warrants, Series 2009-A, of the City having stated maturities in 2017 through 2019, inclusive.

Paying Agent means The Bank of New York Mellon Trust Company, National Association, and its successors.

Principal Office of the Paying Agent shall mean the office where the Paying Agent maintains its designated trust office for purposes of the Series 2016 Warrant Ordinance, or such other office as shall be designated by the Paying Agent by written notice to the City and the Holders.

Record Date means, for each Interest Payment Date, the 15th day (whether or not a Business Day) next preceding any Interest Payment Date.

Refunded Warrants means those of the General Obligation Warrants, Series 2009-A of the City having stated maturities in 2020 through 2028, inclusive, heretofore issued by the City to finance various capital improvements to the public facilities of the City.

Securities Depository means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and the successors and assigns thereof, and any substitute securities depository therefor that maintains a Book-Entry System for the Warrants.

Series 2016 Warrant Ordinance shall mean the ordinance adopted by the governing body of the City on July 11, 2016 authorizing the issuance of the Warrants.

Underwriter means The Frazer Lanier Company, Incorporated, and its successors and assigns.

Warrants means the General Obligation Warrants, Series 2016, of the City.

Warrant Register means the register or registers for the registration and transfer of Warrants maintained by the Paying Agent pursuant to the Series 2016 Warrant Ordinance.

SPECIAL QUALIFICATIONS

No Federal or State Registration

The Warrants have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, and neither the Securities and Exchange Commission nor any federal, state or other governmental regulatory agency will approve or confirm the accuracy, completeness or adequacy of this Official Statement. The within referenced Series 2016 Warrant Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended. Any representation of any of the foregoing to the contrary is a criminal offense.

General

So far as any statements are made in this Official Statement involving matters of opinion, projections or estimates, whether or not expressly so stated, they are set forth as such, made in good faith and not as representations of fact, and no representation is made nor assurance given that any such projections or estimates will be realized.

The information contained in this Official Statement does not purport to be comprehensive or definitive. All references to the Constitution and laws of the State of Alabama and all summaries of the Series 2016 Warrant Ordinance, the Warrants, contracts, documents, or official acts are qualified by the exact terms of such Constitution, laws, Series 2016 Warrant Ordinance, the Warrants, contracts, documents or acts, each being an item of public record.

The City has furnished all information in this Official Statement relating to the City and has obtained all other information from sources which are considered reliable and which are customarily relied upon in the preparation of similar official statements.

This Official Statement does not constitute, and shall not be constructed as, a contract with the Holders or Beneficial Owners of any of the Warrants.

THE 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 the Enabling Law, and pursuant to the Series 2016 Warrant Ordinance.

General Description

The Warrants will be issued in fully registered form, without coupons, payable to the respective registered owners thereof, or registered assigns, in Authorized Denominations, and shall be numbered for identification as determined by the Paying Agent.

Paying Agent

The Bank of New York Mellon Trust Company, National Association, will be the Paying Agent and Warrant Registrar for the Warrants.

Determination and Payment of Principal and Interest

The Warrants will be dated the date of delivery and will bear interest from that 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 rates set forth on the inside cover of this Official Statement.

Interest on each Warrant is payable on each Interest Payment Date to the person in whose name that Warrant is registered in the Warrant Register at the close of business on the Record Date for such interest.

Interest on the Warrants will be computed on the basis of a 360-day year of 12 consecutive months of 30 days each.

The principal of the Warrants will mature on the dates and in the amounts set forth on the inside cover of this Official Statement.

The principal of and interest on the Warrants shall be payable in lawful money of the United States of America, without deduction for exchange, fees or expenses, by the City through the Paying Agent.

During a period in which the Book-Entry System is not in effect for the Warrants: (1) payment of interest on the Warrants shall be made by check or draft mailed by the Paying Agent to the Holders in whose names the Warrants are registered in the Warrant Register maintained by the Paying Agent at close of business on the Record Date (such payments to 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 Warrants shall be made to the Holders only upon surrender of the Warrants at the Principal Office of the Paying Agent; and (3) all such payments of principal of, premium (if any) and interest on the Warrants on behalf of the City or the Paying Agent shall be valid and effectual to satisfy and discharge the liability of the City and the Paying Agent to the extent of the amounts so paid.

During a period in which the Book-Entry System is in effect for the Warrants: (1) payments of principal, interest, and redemption premium, if any, with respect to the Warrants will be paid by the Paying Agent directly to the Securities Depository, or the Securities Depository Nominee, as Holder; provided, that payment of the principal of (and premium, if any, on) such Warrants due at final maturity or upon redemption in whole of any of such Warrants shall be made only upon surrender thereof at the Principal Office of the Paying Agent; (2) the Securities Depository and the Direct Participants and the Indirect Participants shall be responsible for the disbursement of such payments to the Beneficial Owners; and (3) all such payments to the Securities Depository or the Securities Depository Nominee, as Holder, of principal of, premium (if any) and interest on such Warrants on behalf of the City or the Paying Agent shall be valid and effectual to satisfy and discharge the liability of the City and the Paying Agent to the extent of the amounts so paid, and the City and the Paying Agent shall not be responsible or liable for payment to any Beneficial Owner by the Securities Depository or by any Direct Participant or by any Indirect Participant, or for sending transaction statements or for maintaining, supervising or reviewing records maintained by the Securities Depository or Direct Participants or Indirect Direct Participants.

If any payment on the 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.

The City, the Paying Agent and any agent of the City or the Paying Agent shall treat the person in whose name any Warrant is registered as the owner of such Warrant for the purpose of receiving payment of principal of, premium (if any) and interest on such Warrant and for all other purposes whatsoever whether or not such Warrant be 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.

Registration, Transfer, Exchange; Book Entry System

The Warrants are initially issued pursuant to the Book-Entry System to be administered by the Securities Depository and registered in the name of and held by the Securities Depository Nominee. During the period in which the Securities Depository Nominee is the registered owner of the Warrants, purchases and transfers of ownership of beneficial interests in the Warrants will be evidenced by book-entry only, as more particularly provided in the Series 2016 Warrant Ordinance and described under "Book-Entry Only System" in Appendix D hereto.

The Securities Depository may determine to discontinue the Book-Entry System with respect to the Warrants at any time upon notice to the City and the Paying Agent and upon discharge of its responsibilities with respect thereto under applicable law. Upon such notice and compliance with law the Book-Entry System for the Warrants will be discontinued unless a successor securities depository is appointed by the City.

In the event the Book-Entry System for the Warrants is discontinued, Warrants in certificated form in Authorized Denominations will be physically distributed to the owners of beneficial interests in the Warrants, the Warrants will be registered in the names of the owners thereof on the registration books of the Paying Agent pertaining thereto, and the following provisions with respect to registration, transfer and exchange of the Warrants by the registered owners thereof shall apply, subject to the further conditions set forth in the Series 2016 Warrant Ordinance with respect thereto:

(a) The Warrants may be transferred by the registered owner in person or by authorized attorney, only on the Warrant Register maintained by the Paying Agent and only upon surrender of the Warrant to the Paying Agent for cancellation with a written instrument of transfer acceptable to the Paying Agent executed by the registered owner or his duly authorized attorney, and upon any such transfer, a new Warrant of like tenor shall be issued to the transferee in exchange therefor.

(b) The registered owner of any Warrant in a face amount of more than the smallest Authorized Denomination may surrender the same in exchange for more than one Warrant, each in the principal amount which is an integral multiple of an Authorized Denomination, having the same year of maturity as the Warrant so surrendered and the same aggregate principal amount. The registered owner of two or more Warrants having the same principal maturity may surrender the same in exchange for a single Warrant in the aggregate principal amount of the Warrants so surrendered.

(c) The Paying Agent shall not be required to transfer or exchange any Warrant during the period from the Record Date to the then next succeeding Interest Payment Date; and in the event that any Warrant (or any part thereof) is duly called for redemption, the Paying Agent shall not be required to register or transfer any such Warrant during the period of forty-five (45) days next preceding the date fixed for such redemption.

No charge shall be made for the privilege of transfer or exchange, but the registered owner of any Warrant requesting any such transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto. The registered owner of any Warrant will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Warrant.

The Series 2016 Warrant Ordinance provides that each registered owner of the Warrants, by receiving or accepting the Warrant, consents and agrees and is estopped to deny that, insofar as the City and the Paying Agent are concerned, the Warrant may be transferred only in accordance with the provisions of the Series 2016 Warrant Ordinance.

Redemption

Optional Redemption

The Warrants will be subject to prior redemption at the option and direction, of the City, as a whole or in part in integral multiples of an Authorized Denomination, on February 1, 2026 or on any date thereafter, in such principal amounts as the City may determine and by lot within a maturity, at a redemption price for each Warrant redeemed equal to the principal amount thereof to be redeemed plus accrued interest to the redemption date, without premium or penalty.

Mandatory Redemption

The Warrants having a stated maturity on February 1, 2028 (the "2028 Term Warrants") are subject to scheduled mandatory redemption, by lot, on February 1 in each of the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2028 Term Warrants then cancelled or redeemed and not previously claimed as a credit), at a redemption price for each 2028 Term Warrant to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

<u>Year</u>	<u>Principal Amount to Be Mandatorily Redeemed</u>
2027	\$1,680,000

\$1,710,000 principal amount of the 2028 Term Warrants is scheduled to be retired at maturity (February 1, 2028).

Notice of Redemption of Warrants

Notice of optional redemption will be given by the Paying Agent at the direction of the City by United States registered or certified mail, postage prepaid, mailed not less than 30 days prior to the date fixed for redemption, to each registered owner of Warrants (or portion thereof) to be redeemed at the address thereof appearing in the Warrant Register maintained by the Paying Agent.

For so long as the Securities Depository or its nominee is the registered owner of any Warrant to be redeemed, notice of redemption will be given to the Securities Depository or its nominee as the registered owner of such Warrant. Any failure on the part of the Securities Depository or failure on the part of a nominee of a Beneficial Owner (having received notice from the Securities Depository Participant or otherwise) to notify the Beneficial Owner of any Warrant to be redeemed shall not affect the validity of the redemption of such Warrant.

Selection of Warrants for Redemption

If less than all Warrants outstanding are to be redeemed, the particular Warrants to be optionally 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 such Warrants of each maturity to be redeemed must be a multiple of the smallest Authorized Denomination of such Warrants and (ii) if less than all such Warrants with the same stated maturity are to be redeemed, the Warrants of such maturity to be redeemed will be selected by lot by the Paying Agent.

During the period the Warrants are registered in the name of the Securities Depository or its nominee, the City and the Paying Agent will select Warrants or portions thereof for redemption in accordance with the preceding paragraph, and the Securities Depository will select for redemption the Direct Participants' interests in the Warrants. The Direct Participants and Indirect Participants will select for redemption the particular Beneficial Owners' interests in the Warrants. Neither the City nor the Paying Agent will have any responsibility for selecting for redemption any Beneficial Owners' interest in the Warrants. See "Book-Entry Only System" on Appendix D hereto.

Any 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 Warrant, without service charge, a new Warrant or Warrants, of the same series and maturity and of any Authorized Denomination or Denominations, as requested by such holder in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Warrant so surrendered.

Warrants Payable on Redemption Date; Interest to Cease to Accrue after Redemption Date

Notice of redemption having been given as aforesaid, the Warrants to be redeemed will, 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 will cease to bear interest. Installments of interest due prior to the redemption date will be paid to the registered holders of the Warrants on the relevant Record Dates.

Use of Proceeds of Warrants**Sources:**

Warrants	\$11,810,000.00
Net Original Issue Premium	<u>1,265,050.55</u>
<u>Total sources</u>	<u>\$13,075,050.55</u>

Uses:

Refunding of Refunded Warrants	\$10,923,875.27 ^[1]
Costs of Issuance	146,989.00 ^[2]
Capital Improvements	<u>2,004,186.28</u>
<u>Total uses</u>	<u>\$13,075,050.55</u>

[1] The proceeds of the Series 2016 Warrants allocable to the refunding of the Refunded Warrants shall be held in trust by the trustee under the refunding trust agreement for the Refunded Warrants and applied, together with all investment income therefrom, to the payment, redemption, and retirement of the Refunded Warrants. The proceeds of the Series 2016 Warrants held in trust for the benefit of the Refunded Warrants shall not secure, or be available for payment of, the Series 2016 Warrants.

[2] Includes without limitation underwriter's compensation, fees and expenses of bond counsel, ratings, printing, accounting services, and similar costs.

SOURCE OF PAYMENT OF WARRANTS

General

The Warrants will be general obligations of the City for the payment of which the full faith and credit of the City are irrevocably pledged.

Revenues of the City legally available for payment of the principal of and the interest on the Warrants include ad valorem, sales and use taxes, business license taxes, non-business licenses, permit fees, court fines and fees, and other general revenues of the City. None of such legally available revenues are, however, specially pledged for payment of debt service on the Warrants. Information describing the taxes collected by the City and other revenues of the City is set forth in this Official Statement under the captions "CITY GENERAL FUND REVENUES" and "SALES AND USE TAXES" and "AD VALOREM TAXES".

The City has never defaulted in the payment of debt service on its bonds, warrants or other indebtedness, nor has it ever refunded any indebtedness for the purpose of preventing or avoiding such a default.

The Warrants shall never constitute a personal liability or charge against the general credit or taxing powers of the State of Alabama, or any other political subdivision of the State of Alabama, except for the City.

Limited Taxing Authority of City

The City has a limited corporate and demographic base upon which to increase local taxes of any kind or nature to produce revenues for the General Fund of the City.

The City can increase ad valorem taxes only after the prior approval of the legislature of the State of Alabama therefor and the majority vote in favor thereof of the qualified electors of the City voting at an election thereof.

The City may increase certain privilege license and excise taxes without legislative approval or an election, but the City currently levies sales and use taxes, business license taxes, and similar privilege license taxes at rates commensurate with county and municipal jurisdictions and taxing authorities in the regional trade area of the City.

Law-Imposed Requirement on Use of General Fund Revenues of City

Pursuant to Alabama common law, all revenues of the City available for general municipal purposes (and not dedicated by law to a specific purpose) are subject to the law-imposed requirement that, if necessary, there must first be paid from such revenues the legitimate and necessary governmental expenses of operating the City, prior to the payment of debt service on obligations of the City, such as the Warrants.

Investment Risks

The purchase of the Warrants involves certain risks. See "WARRANTHOLDERS' RISKS" hereinafter.

Remedies

The Warrants constitute orders on the Finance Director (or any successor to the duties and functions thereof) of the City to pay the principal of and interest on the Warrants when and as due. The Warrants (as distinguished from the Series 2016 Warrant Ordinance) do not contain a contractual promise on the part of the City to pay such principal or interest out of such proceeds and revenues to the holders of the Warrants, and therefore the City itself is not subject to suit on the Warrants in the event that it defaults in payment of such principal or interest. The Series 2016 Warrant Ordinance specifies that its provisions constitute a contract between the City and the holders of the Warrants (to the extent that such holders are directly affected by such provisions).

The Series 2016 Warrant Ordinance authorizes and directs the Finance Director of the City to deposit into the Warrant Fund in each Fiscal Year amounts sufficient to pay the principal of and interest on the Warrants becoming due and payable in such Fiscal Year.

The Finance Director of the City is, under existing law, subject to mandamus in the event that such officer has money available for payment of principal of and interest on the Warrants and does not apply such money as and to the extent provided in the Series 2016 Warrant Ordinance.

Prospective purchasers of the Warrants should assume (i) that the Warrants (like most securities that are issued as a medium for investment) are not considered “commercial paper” within the meaning of Article 3 of the Alabama Uniform Commercial Code (§§7-3-101 et seq., of the Code of Alabama 1975, as amended), (ii) that the Warrants may not be considered negotiable “investment securities” under Article 8 of the Alabama Uniform Commercial Code (§§7-8-101 et seq., of the Code of Alabama 1975, as amended), and (iii) that purchasers, transferees and other holders of the Warrants therefore may not be able to acquire the rights conferred by said Article 8 on “purchasers” or “bona fide purchasers,” under the circumstances and to the extent provided in said Article 8.

The Series 2016 Warrant Ordinance does contain specific provisions dealing with the obligations of the City to the holders of the Warrants in connection with the registration and transfer of the Warrants and the replacement of lost, stolen, destroyed or mutilated Warrants.

The extent of the remedies afforded to the holders of the Warrants, and the enforceability of the Warrants, are subject to (a) the provisions of existing Alabama law exempting from levy and sale under any process, judgment or decree all property (real or personal) belonging to municipalities in Alabama and used for municipal purposes, (b) those limitations inherent in the fact that the Warrants are special obligation warrants, (c) the provisions of the United States Bankruptcy Code, (d) the exercise of judicial discretion in appropriate cases, including the law-imposed requirement that the City may pay, prior to the payment of debt service on its obligations, the expenses of providing necessary and appropriate governmental services, and (e) the provisions of other statutes that may hereafter be enacted by the Congress of the United States or the Legislature of Alabama extending the time for payment of indebtedness of public bodies such as the City or imposing other constraints upon the enforcement of rights of holders of securities issued by such public bodies. See “THE UNITED STATES BANKRUPTCY CODE” and “WARRANTHOLDER RISKS” herein.

LITIGATION

There is not now pending or threatened any litigation restraining, enjoining or in any matter questioning or affecting: the creation, organization or existence of the City; the title of the Mayor or the present members of the City Council or other officers of the City to their respective offices; the validity of the Warrants; the proceedings and authority under which the Warrants are issued; the purposes for which the proceeds of the Warrants are to be used; the Refunded Warrants or the use of the proceeds thereof; or any other matter, including without limitation any litigation which would materially and adversely affect the financial condition of the City or its ability to perform its obligations to the registered owners of the Warrants.

LEGAL MATTERS

The legality and validity of the Warrants will be approved by Maynard, Cooper & Gale, P.C., Birmingham, Alabama, Bond Counsel. Bond Counsel has been employed primarily for the purpose of preparing certain legal documents and supporting certificates, reviewing the transcript of proceedings by which the Warrants have been authorized to be issued, and rendering opinions in conventional form as set forth in Appendix F. Although Bond Counsel assisted in the preparation of certain portions of this Official Statement and is of the opinion that the statements made therein under the captions "THE WARRANTS," "LEGAL MATTERS," and "TAX MATTERS" and in Appendix C fairly summarize the matters therein referred to, Bond Counsel has not been requested to check or verify, has not checked or verified, and will express no opinion with respect to, the adequacy, accuracy, completeness or fairness of any other information contained in this Official Statement or in Appendix A or Appendix B or Appendix D or Appendix E hereto.

TAX MATTERS

General; Opinion and Role of Bond Counsel

In the opinion of Bond Counsel, under existing law, interest on the Warrants

(a) will be excluded from gross income for federal income tax purposes if the City complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Warrants in order that interest thereon be and remain excludable from gross income;

(b) will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, with respect to corporations, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations; and

(c) will be exempt from State of Alabama personal and corporate net income taxation.

Bond Counsel will express no opinion regarding other federal or state tax consequences arising with regard to the Warrants other than the opinions referred to in the preceding paragraph.

Bond Counsel has not been engaged, and therefore has not undertaken, to review or determine, and consequently will express no opinion as to, whether the interest on any of the Refunding Warrants has been, and will continue to be, exempt from the gross income of the registered owners thereof for purposes of federal income taxation. The opinions of Bond Counsel set forth in Appendix F are based on the assumption, as stated therein, that interest on the Refunded Warrants is and will remain excludable from the gross income of the registered owners thereof for purposes of federal income taxation. In the event a determination is made that interest on any of the Refunding Warrants is subject to federal income taxation, such event may cause the interest on the Warrants to be includable in the gross income of the registered owners thereof for purposes of federal income taxation retroactive to the date of issuance of the Warrants.

The form of Bond Counsel's opinion is expected to be substantially as set forth in Appendix F with respect to the Warrants.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the City contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Warrants are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the certifications and representations of the City or the continuing compliance with the covenants of the City with respect thereto.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Warrants from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

Bond Counsel's engagement with respect to the Warrants ends with the issuance of the Warrants, and, unless separately engaged, Bond Counsel is not obligated to defend the City or the beneficial owners regarding the tax status of interest on the Warrants in the event of an audit examination by the IRS.

Ancillary Tax Matters

Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. Payments of interest on tax-exempt obligations, including the Warrants, are generally subject to IRS Form 1099INT information reporting requirements. If an owner of a Warrant is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the excludability of such interest from gross income for federal income tax purposes. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Warrants. Bond Counsel will express no opinion regarding those consequences.

Interest on the Warrants may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations.

Changes in Law and Post Issuance Compliance and Events

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress, and legislation affecting the exemption of interest or other income thereon for purposes of state taxation may be considered by the legislative body of the State of Alabama. Court proceedings may also be filed the outcome of which could modify the tax treatment of obligations such as the Warrants. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Warrants will not have an adverse effect on the tax status of interest or other income on the Warrants or the market value of the Warrants. Prospective purchasers of the Warrants should consult their own tax advisors regarding the effect of any proposed federal or state tax legislation, as to which Bond Counsel expresses no opinion.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the City may result in the interest on the Warrants being included in gross income for federal income tax purposes retroactively to the date of issuance of the Warrants. The City has covenanted to take the actions required of it for the interest on the Warrants to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Warrants, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Warrants or the market prices of the Warrants.

Consultation with Tax Advisors

Prospective purchasers of the Warrants should consult their own tax advisors regarding the federal and state consequences of owning and disposing of the Warrants, pending or proposed federal and state tax legislation, and other tax considerations, such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

IRS Audit Program

The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Warrants, under current IRS procedures, the IRS will treat the City as the taxpayer and the beneficial owners of the Warrants will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Warrants for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market prices for the Warrants.

No Redemption or Payment If Warrants are Taxable

The Series 2016 Warrant Ordinance does not provide for the redemption of any of the Warrants, or the payment of any additional interest or penalty, if a determination is made that the Warrants do not comply with the requirements of the Code or if a subsequent change in law adversely affects tax-exempt status of the Warrants or the effect of investing in the Warrants.

Investment Information for Financial Institutions

The City has not designated the Warrants as "qualified tax-exempt obligations" for purposes of paragraph (3) of subsection (b) of Section 265 of the Code regarding interest incurred to carry tax-exempt obligations.

The Warrants are not "bank-qualified".

Original Issue Discount

In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of a Warrant, to the extent properly allocable to each owner of such obligation, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such warrant over the 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 obligations accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Warrant during any accrual period generally equals (i) the issue price of such obligation plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such obligation (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such obligation 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 excluded from gross income for federal income tax purposes, and will increase the

owner's tax basis in such obligation. Any gain realized by an owner from a sale, exchange, payment or redemption of a Warrant will be treated as gain from the sale or exchange of such Warrant.

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 the term thereof 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.

TORT LIABILITY

Municipalities and counties in Alabama may be liable for damages for injuries to persons and property resulting from their negligence in the performance of governmental functions.

Court decisions have substantially eroded the immunity from tort liability formerly enjoyed by local governmental units in Alabama. However, 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. These limits are presently \$100,000 in the case of bodily injury or death of one person in any single occurrence, \$300,000 in the aggregate where more than two persons have claims or judgments on account of bodily injury or death arising out of any single occurrence, and \$100,000 in the case of property damage arising out of a single occurrence. The Supreme Court of Alabama in 1993 re-affirmed the constitutionality of Chapter 93, as applied to municipalities and counties, in a case involving a claim that Chapter 93 violates the "right to trial by jury" guaranteed by the Alabama Constitution. (The Court had previously indicated that there is no statutory "aggregate limit," under Chapter 93, with respect to causes of action for property damage arising out of a single occurrence comparable to that specified for personal injury or death claims.)

Prospective purchasers of the Warrants should assume that the liability limitations of Chapter 93 are not applicable to causes of action under Section 1983 of Title 42 of the United States Code. Counties, municipalities and other local governmental units throughout the country have been increasingly subjected to lawsuits - many of which claim damages in large amounts - for alleged denials of civil rights under the provisions of Section 1983. In 1998 the United States Supreme Court held that local legislators (such as the members of the City Council) are absolutely immune from liability under Section 1983 for their legislative activities. Although applicable Federal statutes (specifically, Section 1988 of Title 42 of the United States Code) generally permit the prevailing party in any Section 1983 action to receive, in the court's discretion, an award of attorney's fees and expenses in addition to monetary damages and other relief, the United States Supreme Court, in 1995, held that Section 1988 does not authorize the award of attorney's fees and expenses in a Section 1983 case if no relief under Section 1983 is granted.

As a result of certain decisions of the Supreme Court of the United States, counties, municipalities and other local governmental units in the United States have also been subjected to litigation alleging violations of Federal antitrust laws, to which (prior to such decisions) it was not considered that local governments were generally subject. However, currently effective Federal law generally provides that no damages, interest on damages, costs or attorney's fees - i.e., no monetary relief - may be recovered from any local government, or any official or employee thereof acting in an official capacity, in any action arising under the antitrust laws.

The United States Supreme Court has held that compensation must be paid for the time during which a regulatory measure, held to be a "taking" of private property, is in effect - even though the regulatory measure is invalidated by a court and subsequently repealed by the enacting authority. The United States Supreme Court has also held that a dedication of private property for public use, required by a city as a condition to the grant of a building permit to the owner of the private property in question, was an uncompensated "taking" of private property (in violation of the Fifth Amendment to the United States Constitution) where the condition imposed by the city was not "roughly proportional," in nature and extent, to the projected impact of the proposed development. The United States Supreme Court has also recently held that an owner of real property may challenge the validity of an alleged "taking" of his property pursuant to a regulatory measure that was enacted before the owner acquired such property. The full scope and implications of these rulings cannot now be accurately predicted or determined.

UNDERWRITER

The Frazer Lanier Company, Incorporated (the "Underwriter") has purchased the Warrants from the City for a purchase price of \$13,016,000.55, being equal to the principal amount thereof less underwriting discount of \$59,050.00 and plus net original issue premium of \$1,265,050.55.

The initial public offering price for the Warrants may be changed by the Underwriter. The Underwriter may offer and sell the Warrants to certain dealers (including dealers depositing Warrants in investment trusts) and others at prices lower than the public offering prices set forth on the inside cover page of this Official Statement.

As of the date of this Official Statement the City has not contracted with the Underwriter to provide ongoing secondary market disclosure regarding its operations and financial affairs.

RATINGS

Fitch Ratings has assigned to the Warrants a municipal bond rating of “AA+”.

Moody’s Investors Service, Inc. has assigned to the Warrants a municipal bond rating of “Aa1”.

The rating by each such rating agency reflects only the views of such agency at the time such rating is given, and the City makes no representation as to the appropriateness of any rating. There is no assurance that any rating will continue for any given period of time or that any rating may not be suspended, lowered or withdrawn entirely by a rating agency if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the secondary market of the Warrants.

Due to the ongoing uncertainty regarding the economy and debt of the United States of America, including, without limitation, political and economic developments that may affect the financial condition of the United States government, the United States debt limit, and the bond ratings of the United States and its instrumentalities, obligations issued by state and local governments, such as the Warrants, could be subject to a rating downgrade. Additionally, if a significant default or other financial crisis should occur in the affairs of the United States or of any of its agencies or political subdivisions, then such event could also adversely affect the market for and ratings, liquidity, and market value of outstanding debt obligations, including the Warrants.

Neither the City nor the Underwriter has undertaken any responsibility after the issuance of Warrants to assure maintenance of any rating or to oppose any such revision or withdrawal.

Any explanation of the significance of the rating may be obtained from the respective rating agencies.

APPENDICES

THE ATTACHED APPENDICES ARE INTEGRAL PARTS OF THIS OFFICIAL STATEMENT AND MUST BE READ TOGETHER WITH ALL OF THE FOREGOING STATEMENTS.

FINANCIAL STATEMENTS

The audited financial statements of the City as of and for the fiscal year ended September 30, 2015, are included in this Official Statement as Appendix B, have been examined to the extent set forth in their report by Carr, Riggs & Ingram, L.L.C., Birmingham, Alabama, independent certified public accountants.

CONTINUING DISCLOSURE UNDERTAKING

In accordance with Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the City will enter into a continuing disclosure agreement (the “CDA”) for the benefit of the owners of the Warrants, meeting the requirements for such agreements set forth in the Rule. The proposed form of the CDA is attached as Appendix E. The CDA will require the City to provide only limited information at specified times, and such information may not constitute all information necessary to determine the value at any time of the Warrants. The terms under which the CDA may be amended are set forth therein. The City may, in its discretion, file additional information, but it is not obligated to provide such additional information for the benefit of the owners of the Warrants. The City expects that the information filed pursuant to the CDA will be filed with the Municipal Securities Rulemaking City’s Electronic Municipal Market Access System (“EMMA”).

Failure of the City to comply with the Continuing Disclosure Agreement does not constitute an event of default, but the Continuing Disclosure Agreement does provide that in the event of a failure to perform the Continuing Disclosure Agreement, the Registered Owners and Beneficial Owners of the Warrants have the right to seek a court order directing the City or the Paying Agent, as applicable, to perform its obligations thereunder.

The City has heretofore delivered continuing disclosure agreements in connection with the issuance of its General Obligation Warrants, Series 2009-A and its General Obligation Warrants, Series 2009-B (collectively, the “2009 CDA Agreements”); its General Obligation Warrants, Series 2013 and its General Obligation Warrants, Series 2013-A (collectively, the “2013 CDA Agreements”); and its General Obligation Warrants, Series 2014 (the “2014 CDA”) and its General Obligation Warrants, Series 2015 (the “2015 CDA”) pursuant to the Rule as in effect on the date of such agreements (the 2009 CDA Agreements, 2013 CDA Agreements, 2014 CDA and 2015 CDA are collectively referred to as the “Existing CDA Agreements”). During the past five years, the City (i) has failed to file, in any fiscal year, the financial, operating, and other information with respect to the City in form and of content required by the Existing CDA Agreements, (ii) has failed to file its annual financial information (including audited financial statements) and operating data for the fiscal years 2009, 2010, 2011 and 2012 within the period required by the 2009 CDA Agreements, (iii) has failed to file its annual financial information (including audited financial statements) and operating data for the fiscal year 2013 within the period required by the 2009 CDA Agreements and the 2013 CDA Agreements, (iv) has failed to file its annual financial information (including audited financial statements) and operating data for the fiscal year 2014 and the fiscal year 2015 within the period required by the Existing CDA Agreements, and (v) has failed to file notice of any of such failures to file any of such information.

In April 2013, pursuant to the 2009 CDA Agreements, the City filed with EMMA the audited financial statements of the City for the fiscal years 2008, 2009, 2010 and 2011.

In July 2014, pursuant to the Existing CDA Agreements, the City filed with EMMA the audited financial statements of the City for the fiscal years 2009, 2010, 2011, 2012 and 2013.

On March 31, 2015, pursuant to the Existing CDA Agreements, the City filed with EMMA the audited financial statements of the City for the fiscal year 2014, which were due to be filed by March 29, 2015.

On March 29, 2016, pursuant to Existing CDA Agreements, the City filed with EMMA a draft of the audited financial statements of the City for the fiscal year 2015.

On June 10, 2016, and on June 23, 2016, the City filed with EMMA the audited financial statements of the City for the fiscal year 2015, which were due to be filed by March 29, 2016.

THE UNITED STATES BANKRUPTCY CODE

The rights and remedies of the registered owners of the Warrants are subject to the provisions of Title 11 of the United States Code (Bankruptcy), including particularly and without limitation Chapter 9 thereof.

Provisions of the United States Bankruptcy Code permit, under certain specific 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 United States Federal Court for the district in which the political subdivision is located, if it is insolvent or unable to meet its debts as they mature and it desires to effect a plan to adjust its debts. Under the Federal Bankruptcy Code, the filing of such a petition operates as an "automatic" stay of the commencement or the continuation of any judicial or other proceeding against the petitioner, its property or any officer or inhabitant of the petitioner. Chapter 9 also permits a political subdivision that files such a petition to issue, with the approval of the Bankruptcy Court, certificates of indebtedness having priority over pre-existing obligations.

Bankruptcy proceedings by the City could have material adverse effects on holders of the Warrants, including (i) delay in the enforcement of their remedies; (ii) subordination of their claims or charges on revenues of the City to 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; (iii) subordination of liens; (iv) avoidance of liens or preferential transfers; (v) the issuance, with the approval of the Court, of certificates of indebtedness having priority over pre-existing obligations; and (vi) imposition without their consent of a reorganization plan reducing or delaying or extinguishing payment on the Warrants. The Bankruptcy Code contains provisions intended to insure that, in any reorganization plan not accepted by the holders of at least a majority in aggregate principal amount of any issue of securities, the holders of such securities will have the benefit of their original claim or charge on any tax proceeds specially pledged therefor or the "indubitable equivalent." 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.

Any political subdivision filing a petition for relief under Chapter 9 must in due course file a plan for the adjustment of its debts. Any such plan may include provisions modifying or altering the rights of creditors generally, or any class of them, whether secured or unsecured. Such a plan, when confirmed by the Bankruptcy Court, binds all creditors who had timely notice or actual knowledge of the debtor's petition or plan; and it discharges all claims against the debtor as provided for in the plan. No such plan may, however, be confirmed by the Bankruptcy Court unless certain conditions occur, including, among others, either (1) that the plan has been accepted in writing by at least two-thirds (2/3) in amount, and more than fifty percent (50%) in number, of the allowed claims of each class which is impaired by the plan, or (2) the Bankruptcy Court finds that the plan does not discriminate unfairly, and is fair and equitable, with respect to each class of claims that is impaired under, and has not accepted, the plan.

Prospective purchasers of the Warrants should understand that existing Alabama statutes authorize the City to file a petition for relief under Chapter 9.

WARRANTHOLDER RISKS

General

An investment in the Warrants involves certain risks which should be carefully considered by investors. Prospective investors should carefully examine this Official Statement and their own financial condition in order to make a judgment as to their ability to bear the economic risk of such an investment and whether or not the Warrants are an appropriate investment for them.

Financial Ability of City to Pay Warrants; Payments by the City

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 value of retail sales in the City, assessed values of taxable property in the City, population trends and economic developments, the exact nature and extent of which are not presently determinable.

Prospective purchasers of the Warrants must read and understand the information set forth hereinbefore under "SOURCE OF PAYMENT OF WARRANTS."

Enforceability of Remedies

The remedies available to the owners of the Warrants are discussed hereinbefore under "SOURCE OF PAYMENT OF WARRANTS"; "Remedies".

The remedies available to the Paying Agent and the owners of the Warrants are in many respects dependent upon regulatory and judicial actions and enforcement thereof may be limited or restricted by laws relating to bankruptcy and rights of creditors and by application of general principles of equity applicable to the availability of specific performance. Under existing law and judicial decisions, the remedies provided for under the Series 2016 Warrant Ordinance may not be readily available, or may be limited, or may be substantially delayed in the event of litigation or statutory remedy procedures.

Qualification of Legal Opinions

The various legal opinions to be delivered concurrently with delivery of the Warrants (1) will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency, or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally and (2) will express the professional judgment of the attorneys rendering the opinions 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 the future performance of parties to the transaction, and the rendering of an opinion does not guarantee the outcome of any legal dispute that may arise out of the transaction.

Tax-Exempt Status of Warrants

See "TAX MATTERS" hereinbefore.

The Warrants are being sold on the basis that interest on such obligations is excluded from the gross income of the owners thereof for federal income tax purposes as of the date of issuance. Bond Counsel is delivering an opinion with respect to certain aspects of the tax status of the Warrants in substantially the form attached to this Official Statement as Appendix F, which should be read in its entirety for a complete understanding of the scope of the opinion and the conclusions expressed. A legal opinion is only an expression of professional judgment and does not constitute a guaranty with respect to the matters covered. In addition, the opinion of Bond Counsel speaks only as of its date and Bond Counsel does not undertake to advise registered owners of the Warrants about subsequent developments.

The tax status of the Warrants could be affected by post-issuance events. There are various requirements of the Code that must be observed or satisfied after the issuance of the Warrants in order for the interest on the Warrants to qualify for, and retain, its exclusion from gross income for federal income tax purposes. These requirements include use of the proceeds of the Warrants, use of the facilities financed by the Warrants and investment of proceeds of the Warrants, the rebate of excess arbitrage earnings. Compliance with post-issuance requirements is the responsibility of the City.

The Internal Revenue Service conducts an audit program to examine compliance with the requirements regarding tax-exempt status of obligations. If the Warrants are examined, 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, if any, 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 thereof shall have been made. If an audit results in a final determination that the interest on the Warrants is not excluded from gross income for federal income tax purposes, 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 effect of investing in the Warrants. For example, Congress could eliminate the exemption for interest on the Warrants, or it could reduce or eliminate the federal income tax, or it could adopt a so-called flat tax.

The Series 2016 Warrant Ordinance does not provide for the redemption of any of the Warrants, or the payment of any additional interest or penalty, if a determination is made that the Warrants do not comply with the requirements of the Code or if a subsequent change in law adversely affects tax-exempt status of the Warrants or the effect of investing in the Warrants.

Communication with, and Payments to, the Beneficial Owners When Book-Entry System Is in Effect

The City, the Paying Agent and the Underwriter will not have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (1) the accuracy of any records maintained by the Securities Depository or any Direct Participant or Indirect Participant; (2) the payment by the Securities Depository, any Direct Participant or Indirect Participant, of any amount due to any Beneficial Owner in respect of the principal or redemption price, premium, if any, and interest on the Warrants; (3) the delivery or timeliness of delivery by the Securities Depository, any Direct Participant or Indirect Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Series 2016 Warrant Ordinance to be given to Beneficial Owners; or (4) any consent given or other action taken by the Securities Depository or the Securities Depository Nominee, as owner.

The City, the Paying Agent and the Underwriter cannot and do not give any assurances that any Direct Participant or Indirect Participant will distribute to the Beneficial Owners of the Warrants (1) payments of principal or redemption price, premium, if any, or interest on, the Warrants, (2) certificates representing an ownership interest or other confirmation of beneficial ownership interests in the Warrants, or (3) redemption or other notices sent to the Securities Depository or the Securities Depository Nominee, as the registered owner of the Warrants, or that they will do so on a timely basis, or that the Securities Depository or the Securities Depository Nominee, or any Direct Participant or Indirect Participant will serve and act in the manner described in this Official Statement.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Official Statement including, without limitation, statements containing the words "estimates," "believes," "anticipates," "expects," and words of similar import, constitute forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the City or other entities to which the forward-looking statements relate to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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 customers, suppliers, business 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 disclaims 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.

CERTIFICATE

This Official Statement has been approved by the governing body of the City and deemed "final" by the City within the meaning of Rule 15c2-12 of the Securities and Exchange Commission.

CITY OF VESTAVIA HILLS, ALABAMA

By /s/ Alberto C. Zaragoza, Jr.
Mayor

APPENDIX A

**General, Financial, Economic and Demographic
Information of the City of Vestavia Hills, Alabama**

CITY GOVERNMENT AND ADMINISTRATION

The City is a municipal corporation incorporated under the Constitution and laws of the State of Alabama. The City is governed by a Council-Manager form of government consisting of a five member Council presided over by a Mayor. The Mayor and Councilmembers are elected from the City at-large. The Council is the governing body of the City.

The City Manager is the chief administrative officer of the City and is responsible to the Council for the proper administration of all affairs of the City, subject to the applicable provisions of law. Members of the City Council serve part time and are responsible for adopting all legislative ordinances and setting policies of the City, including the appropriation of money. The Council exercises the legislative powers of the City and makes appointments to most of the independent and quasi-independent boards and agencies with respect to which the City has appointive power.

The managers of the City's several departments are appointed by the City Council and are responsible for the day-to-day operation of their respective departments.

The members of the Vestavia Hills Board of Education are appointed by the City Council. Under the present Alabama law, current operations of the Board of Education are virtually independent of the Mayor and Council. Current operations of the Board of Education are funded independently of the City from ad valorem tax revenues and state appropriations, and the Board of Education independently adopts the operating budget for the school system.

Members of City Council and Officers of the City

<u>Name and Office</u>	<u>Occupation</u>	<u>End of Current Term</u>
Alberto C. Zaragoza, Jr. Mayor	Retired (formerly Fire Chief of the City of Vestavia Hills)	November 5, 2016
Steve Ammons Mayor Pro-Tempore	Self-employed Employment Investigations	November 5, 2016
John Henley	State Farm Agency Owner	November 5, 2016
George Pierce	Associated Builders & Contractors Director of Education	November 5, 2016
Jim Sharp	Dry Cleaning Business Owner	November 5, 2016

SERVICES, DEPARTMENTS AND AGENCIES OF THE CITY

The major governmental services provided by the City, the County, the State and certain independent agencies are shown on the chart below. The City believes that the scope of governmental services required to be provided by the City is more limited than that of other cities of its size, because the County and the State have primary responsibility for providing many services customarily provided in certain other states by municipal governments. As a consequence, the City believes that it is less susceptible than many other cities to large increases in operating expenditures and is better able to control its expenditures.

GOVERNMENTAL SERVICES PROVIDED BY THE CITY OF VESTAVIA HILLS AND OTHERS				
	City	County	State	Independent Agency
Fire protection	Exclusive			
Solid waste disposal				Exclusive
Storm water sewers	Exclusive			
Police protection ¹	Primary	Shared	Shared	
Street maintenance & repair ²	Primary	Shared	Shared	
Recreation ³	Primary			Shared
Sanitary sewers ⁴		Primary		
Courts ⁵	Shared	Shared	Primary	
Road construction ⁶	Shared		Primary	
Health ⁷		Primary		
Public transportation ⁸	Shared	Shared		Primary
Aviation ⁹				Primary
Water service ¹⁰				Primary
Education ¹¹	Primary		Shared	
Social welfare		Shared	Shared	

¹ The City, County and State have coextensive law enforcement jurisdiction.
² The State is responsible for maintaining state and federal highways in the City.
³ The City funds recreation programs including pools, museums and sports facilities.
⁴ The County constructs and maintains sewer plants and trunk line sewers and maintains the collection system.
⁵ The City operates a misdemeanor court system.
⁶ The City builds local traffic arteries only.
⁷ The County, City and other cities in the County contribute to the County Health Department on a formula basis. The County operates a public, tax-supported hospital.
⁸ A metropolitan bus system, operated by the Birmingham-Jefferson County Transit Authority, is funded by federal funds, matched by County and municipal funds on a formula basis.
⁹ The Birmingham International Airport is operated by The Birmingham Airport Authority, the governing body of which is appointed by the Birmingham City Council. The annual operating budget and the capital improvement budget are subject to approval by the Birmingham City Council.
¹⁰ Water and some sanitary sewer service is provided by The Water Works and Sewer Board of the City of Birmingham.
¹¹ The Vestavia Hills Board of Education, the governing body of which is appointed by the City Council, operates schools with local ad valorem taxes and state and federal funds. The City assists in borrowing for major capital purposes.

The City has limited or no responsibility for funding the operating or capital costs of social welfare or health. The responsibility for operating the sanitary sewer system in the City is divided between the City and the County, with the County funding the costs of constructing and operating sewage treatment plants, pumping stations, large sewage mains, and maintaining collector mains.

The City has, in the past, appropriated funds from its General Fund to certain activities or agencies for which it does not have primary responsibility. The most significant appropriations of this type are Jefferson County Board of Health and Jefferson County Personnel Board.

During the Regular Session of 1945, the Legislature of Alabama enacted legislation providing for the Jefferson County Personnel Board and providing participating municipalities (including the City) pay a proportionate share of the cost of the Civil Service System.

During the Regular Session of 1977, the Legislature of Alabama enacted legislation (i) providing for annual appropriations to the Birmingham-Jefferson County Transit Authority from Jefferson County and certain municipalities (now including Vestavia Hills) in the County served by the transit system and (ii) providing for annual appropriations to the Jefferson County Board of Health from Jefferson County and all municipalities in the County, which appropriations are in addition to other tax revenues allocated by law to the Jefferson County Board of Health, and the amounts of the appropriations are fixed by the Jefferson County Commission based on the relative populations of the governmental jurisdictions from whom funds are appropriated, subject to limitations on total appropriations relating to ad valorem tax collections.

Office of the City Clerk

The City Clerk is secretary to the City Council and custodian of all official city records.

Department of Finance

The Department of Finance employs approximately 7 people and is administered by the Finance Director who is appointed by the City Manager and serves under the civil service system. The principal duties of the Finance Director include the following: budget preparation; budget administration; investments; capital financing; insurance and risk management; contract supervision; disbursements; accounting; audit; collection of taxes, fees and other revenues; and the purchasing of all materials, supplies, equipment and services.

Police Department

The Vestavia Hills Police Department is a modern police department utilizing current law enforcement techniques and equipment and is headed by the Chief of Police. It is manned by approximately 85 sworn officers (a ratio of 2.00 officers/1,000 residents).

Fire Department

The City maintains a modern fire-fighting department housed in five (5) fire stations strategically located throughout the City which are staffed by 101 fire department personnel. It operates five (5) fire engines and one (1) ladder truck to provide fire suppression and three advanced life support medical transport units, and a fire prevention bureau. The department operates a training program for new personnel and for the continuing education of incumbent personnel. The department operates a hazardous material response team, a heavy technical rescue team, a fire explorer program and sponsors a community emergency response team.

Park and Recreation Board

The Public Park and Recreation Board of the City of Vestavia Hills, whose members are appointed by the City Council, promotes the establishment of cultural, educational and recreational facilities and activities in the City.

CITY LABOR RELATIONS

The City provides police protection, fire protection, park and recreation facilities, and public library facilities. The City employs approximately 289 people in its various departments.

Classified City employees such as firemen, policemen, administrative, park and recreation, department supervisors and equipment operators are subject to the Jefferson County Civil Service System. Unclassified laborers make up approximately one-fourth of the City's employees. Supervisory personnel are employed subject to City Council approval. The City's employee salaries and benefits are equal to or greater than those of other municipalities in Jefferson County.

The City is not subject to collective bargaining agreements. The City does not negotiate with employee organizations, but does hold general information meetings with such organizations. The City maintains single employer defined benefit pension plans covering substantially all employees.

City Pension Obligations

See Note 7 of the Notes to Financial Statements in Appendix B of this Official Statement for a discussion of the City's pension plans.

Other Post-Employment Benefits

The City provides postretirement health care benefits to retired employees who are eligible for pension benefits by subsidizing a portion of the retirees' health insurance premiums. Expenditures for post-retirement health care insurance costs are made and recognized monthly.

GASB Statement No. 43 and GASB Statement No. 45 required significant changes to the City's accounting and financial reporting with regard to post-employment benefits other than the City's pension plans (such as the health care benefits provided to retired employees). GASB Statement No. 43 establishes uniform financial reporting standards for such other post-employment benefit (OPEB) plans and is effective with respect to the City. GASB Statement No. 45 establishes standards for the measurement, recognition and display of OPEB expense/expenditures and related liabilities (assets), not disclosures, and, if applicable, required supplementary information in the financial reports of state and local government employers. In particular, GASB Statement No. 45 (i) requires systematic, accrual-basis measurement and recognition of OPEB cost (expense) over a period that approximates employees' years of service and (ii) provides for the reporting of information about actuarial accrued liabilities associated with OPEBs and whether and to what extent progress is being made in funding the plan. GASB Statement No. 45 is effective with respect to the City.

The City implemented the applicable requirements of GASB Statement No. 43 and GASB Statement No. 45 as required.

The City has received an actuarial study by Rebowe & Fontenot, LLC which indicates the present value of the City's future obligations is \$1,240,608.

CITY FINANCIAL SYSTEM

The City operates on a fiscal year 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 the beginning of the fiscal year. 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 attached to this Official Statement as Appendix B. All revenues and expenditures of the City are accounted for in a series of funds which are described in the financial statements attached hereto.

The City has long maintained a financial reporting system providing timely and accurate reports of receipts and expenditures. The City's financial statements are audited annually, as required by law, by independent certified public accountants. The reports of such accountants with respect to the City's financial statements for the fiscal year ended September 30, 2015 are included in Appendix B of this Official Statement.

The Finance Department of the City endeavors to make audited financial information available upon request to the holders of the City's securities, creditors and other interested parties in a timely fashion.

The City's financial system is an integrated, centralized and comprehensive base for all budgetary and accounting information for all offices, departments, agencies, boards, bureaus and activities of the City. The system begins with the budget and progresses into the encumbering of all obligations and disbursement of all funds. An accounting is provided for all revenues and expenditures, regardless of source of charge. The financial system enables management to produce monthly reports by the fifteenth day of the following month.

The City's financial systems include a cash investment management system which enhances the City's capability to fully invest idle funds through the concept of pooled cash. In addition to accounting control and budgetary control, cost control is provided for in both capital projects and operating expenditures analyses.

Comparative Statements of General Fund Operation

The following statements have been compiled from audited financial statements of the City for the fiscal years ending September 30, 2009-2015.

These statements show the revenues, expenditures and changes in fund balance for the General Fund.

The General Fund finances substantially all current operations of the City and is the primary sources of revenues which support general obligation debt of the City.

The audited financial statements of the City for the fiscal year ending September 30, 2015 were prepared in accordance with generally accepted accounting principles, including all relevant pronouncements of the Governmental Accounting Standards Board. See Note 1 of the Notes to the Financial Statements in Appendix B of this Official Statement.

CITY OF VESTAVIA HILLS, ALABAMA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN GENERAL FUND BALANCE

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenues			
Taxes	\$25,923,168	\$25,336,568	\$25,274,193
Licenses and permits	4,337,672	3,527,310	3,552,453
Intergovernmental	--	--	--
Charges for services	391,351	366,079	413,090
Fines and forfeitures	487,710	364,804	271,466
Fees	2,846,268	2,768,860	2,648,486
Grants	555,314	523,252	347,572
Sale of assets	24,733	138,886	7,044
Investment revenues	74,447	71,281	75,046
Library revenues	--	--	--
Other revenues	<u>618,934</u>	<u>725,879</u>	<u>664,161</u>
Total revenues	<u>35,259,597</u>	<u>33,822,919</u>	<u>33,253,511</u>
Expenditures			
Current (operating):			
General government and administration	6,785,107	5,419,114	5,302,255
Public safety	15,792,421	15,391,441	14,490,780
Public works	6,620,303	3,931,139	3,948,387
Library	1,558,926	1,502,601	1,323,143
Parks and recreation	--	2,421,080	2,338,914
Debt service	--	84,447	--
Capital outlay	<u>195,076</u>	<u>276,261</u>	<u>222,030</u>
Total expenditures	<u>30,951,833</u>	<u>29,026,083</u>	<u>27,625,509</u>
Excess of revenues over (under) expenditures	<u>4,307,764</u>	<u>4,796,836</u>	<u>5,628,002</u>
Other financing sources (uses)			
Received by City for debt repayment	--	--	--
Donations	14,021	6,809	30,038
Operating transfers in	1,400,000	--	--
Operating transfers out	(5,106,745)	(5,019,804)	(5,120,601)
Other financing sources - proceeds of capital lease	--	--	--
Total other financing sources (uses)	<u>(3,692,724)</u>	<u>(5,012,995)</u>	<u>(5,090,563)</u>
Excess of revenues and other sources over (under) expenditures and other uses	615,040	(216,159)	537,439
Fund balance, beginning of year	12,402,609	12,618,768	12,081,329
FUND BALANCE, END OF YEAR	<u>13,017,649</u>	<u>\$12,402,609</u>	<u>\$12,618,768</u>

CITY OF VESTAVIA HILLS, ALABAMA
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN GENERAL FUND BALANCE

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Revenues				
Taxes	\$25,735,984	\$23,606,909	\$23,041,283	\$23,390,156
Licenses and permits	3,460,171	3,097,415	2,708,199	2,933,825
Intergovernmental	--	0	0	0
Charges for services	439,981	460,470	441,216	488,472
Fines and forfeitures	262,232	223,445	253,346	257,657
Fees	2,673,266	2,520,991	2,513,008	2,416,907
Grants	252,931	939,439	168,537	205,447
Sale of assets	28,655	1,998	11,232	42,722
Investment revenues	59,907	49,524	44,084	258,563
Library revenues	--	0	0	0
Other revenues	<u>522,033</u>	<u>546,686</u>	<u>569,088</u>	<u>602,870</u>
Total revenues	<u>33,435,160</u>	<u>31,446,877</u>	<u>29,749,993</u>	<u>30,596,619</u>
Expenditures				
Current (operating):				
General government administration	4,710,695	4,176,085	3,624,619	3,962,058
Public safety	13,547,052	13,680,045	13,281,239	13,553,426
Public works	4,012,654	4,024,694	4,006,527	4,255,352
Library	1,250,306	1,129,580	1,068,006	1,035,785
Parks and recreation	2,325,325	2,217,241	2,167,329	2,232,060
Debt service	--	0	0	0
Capital outlay	<u>637,294</u>	<u>224,261</u>	<u>244,413</u>	<u>301,069</u>
Total expenditures	<u>26,483,326</u>	<u>25,451,906</u>	<u>24,392,133</u>	<u>25,339,750</u>
Excess of revenues over (under) expenditures	<u>6,951,834</u>	<u>5,994,971</u>	<u>5,357,860</u>	<u>5,256,869</u>
Other financing sources (uses)				
Received by City for debt repayment	--	0	0	0
Donations	28,537	28,351	51,546	62,575
Operating transfers in	--	0	0	0
Operating transfers out	(5,381,447)	(5,198,268)	(4,375,113)	(4,968,258)
Other financing sources - debt proceeds	<u>426,856</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources (uses)	(4,926,054)	(5,169,917)	(4,323,567)	(4,905,683)
Excess of revenues and other sources over (under) expenditures and other uses	2,025,780	825,054	1,034,293	351,186
Fund balance, beginning of year	10,055,549	9,230,495*	8,065,971	7,714,785
FUND BALANCE, END OF YEAR	<u>\$12,081,329</u>	<u>\$10,055,549</u>	<u>\$9,100,264</u>	<u>\$8,065,971</u>

*Restated

CITY GENERAL FUND REVENUES

Sales and use taxes, occupational license taxes, and licenses and permits are directly related to changes in personal income, price levels and general economic conditions. Shared state, local and intergovernmental revenue is not subject to periodic appropriations but results from general statutory allocation to the City of a portion of certain taxes collected by the State of Alabama and Jefferson County.

Intergovernmental Revenue.

Shared State revenues include the following taxes or revenues that are collected by the State, a portion of the proceeds of which are required by law to be paid to the City: bank excise tax, motor vehicle licenses, and State liquor store profits.

Shared revenues from local government units consist principally of taxes collected by Jefferson County and paid in part to the City under State statutes requiring a sharing of the proceeds of the following taxes: gasoline tax, tobacco tax, beer excise tax and county road tax.

Ad Valorem Taxes.

Information describing property taxes more fully is set forth in a subsequent section of this Official Statement under the heading of "AD VALOREM TAXES."

The following table shows historic ad valorem tax revenues of the City that were available for deposit in the General Fund for the fiscal years indicated:

Fiscal Year Ended <u>September 30</u>	Ad <u>Valorem Taxes</u>
2015	\$13,842,366
2014	13,818,777
2013	13,392,321
2012	13,646,041
2011	13,183,986
2010	13,339,653
2009	13,671,736
2008	12,971,565
2007	11,599,627
2006	11,592,898
2005	10,904,720
2004	10,282,921
2003	8,752,906

Source: Amounts are derived from audited financial statements of the City for the fiscal years ended September 30, 2003 through 2015.

Sales and Use Taxes; Business License Taxes.

The City levies and collects a privilege or license tax, commonly called a sales tax, against persons, firms or corporations engaged in the business of selling at retail, or otherwise consuming any tangible personal property, or conducting places of amusement within the corporate limits of the City. The City also levies a use tax on tangible personal property brought into Alabama for storage, usage or consumption in Alabama where no tax was collected on the initial sale. The sales tax and use tax are imposed at equal rates.

The City's sales and use taxes are currently levied at a rate of three percent. The sales and use tax rate applicable to agricultural machinery and mining and manufacturing machinery is one percent. The sales and use tax rate applicable to passenger automobiles and light trucks also is one percent.

The ordinance levying the sales and use taxes incorporate by reference exemptions and regulations under the statewide sales and use tax act. The sales and use tax is collected monthly by the City.

Under applicable judicial precedents, such taxes may not be levied at rates that are confiscatory or unreasonable.

There is no express constitutional or statutory maximum on the rates at which sales and use taxes may be levied by the City, except that the rate of such taxes in the so-called "police jurisdiction" area of the City may not exceed one-half the rate applicable in the corporate limits of the City.

The following table shows historic sales and use tax revenues of the City for the fiscal years indicated:

<u>Fiscal Year Ended</u> <u>September 30</u>	<u>Sales and</u> <u>Use Taxes</u>
2015	\$12,031,846
2014	11,504,366
2013	11,824,615
2012	12,021,313
2011	10,392,103
2010	9,682,010
2009	9,642,210
2008	10,883,026
2007	10,006,760
2006	9,647,270
2005	9,464,578
2004	9,560,322
2003	8,708,409

Source: Amounts are derived from audited financial statements of the City for the fiscal years ended September 30, 2003 through 2015.

Business License Taxes and Permits

Under general authority of Alabama law, the City charges fees for licenses and permits for certain persons engaged in and carrying on certain exhibitions, trades, businesses, vocations, occupations and professions in the City. The licenses or permits for such activities must be paid for or taken out annually by such persons. The City's business license ordinance levies varying license fees on different occupations, businesses or professions. The amount of the license or permit fees varies according to the type of business or occupation licensed or permitted. In addition, the City levies separate license fees on persons engaged in the business of the sale or delivery of any alcoholic beverage or liquor at varying rates. Business license fees are collected by the City.

The City also imposes fees for the issuance of permits allowing persons to engage in certain activities, which are, in general, construction or inspection-related. These permits include items such as building permits, elevator permits, plumbing permits and excavation permits.

Except for limitations concerning the rates at which privilege or business license taxes may be levied on certain types of businesses (such as banks and insurance companies) and except that the rates of privilege or business license taxes in the so-called "police jurisdiction" area of the City may not exceed one-half the rate applicable in the corporate limits of the City, there is no express constitutional or statutory limitation upon the rates at which privilege or business license taxes may be levied by the City. Under applicable judicial precedents, the privilege or business license taxes may not be levied at rates that are confiscatory or "unreasonable".

The following table shows historic license and permit revenues of the City for the fiscal years indicated:

<u>Fiscal Year Ended</u> <u>September 30</u>	<u>Business</u> <u>Licenses</u>	<u>Permits</u>
2015	\$2,492,787	\$1,715,093
2014	2,197,606	1,189,699
2013	2,404,089	1,014,095
2012	2,156,416	1,158,622
2011	1,938,013	1,039,196
2010	1,844,883	735,768
2009	2,161,175	660,415
2008	1,983,548	820,721
2007	1,710,249	1,130,782
2006	1,573,965	1,135,838
2005	1,515,504	1,108,459
2004	1,473,087	1,031,069
2003	1,265,011	832,799

Source: Amounts are derived from audited financial statements of the City for the fiscal years ended September 30, 2003 through 2015.

AD VALOREM 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 December 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 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	-	1½%
Class III	-	1%
Class IV	-	1¼%

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

Ad Valorem Tax Rates

Ad valorem taxes on property in the jurisdiction of the City are currently levied at the following rates:

	<u>Jefferson County</u>	<u>Shelby County</u>
<u>State of Alabama</u>	6.5 mills	6.5 mills
<u>Jefferson and Shelby Counties</u>		
County Tax:		
General Fund (no limit as to time)	5.60	5.00
Road Fund (no limit as to time)	2.90	2.50
Road Fund (shared with City)	2.10	-----
Building and Bridge Fund (no limit as to time)	2.20	-----
Sewer Fund (no limit as to time)	<u>.70</u>	<u>-----</u>
Total	13.50	7.50
County Schools:		
General School Fund	5.40	5.00
General School Fund	2.10	4.00
General School Fund	.70	7.00
Total (shared with City schools based on average daily attendance)	8.20	16.00
Special Schools	<u>15.1</u>	<u>-----</u>
Total Jefferson and Shelby Counties	36.80	23.50
<u>City of Vestavia Hills</u>		
Municipal Tax:		
General Municipal purposes (no limit as to time)[1]	<u>23.70</u>	<u>23.70</u>
Total	23.70	23.70
Special School Taxes:		
Public school uses (School District Levy) (voted to September 30, 2017)	<u>25.60</u>	<u>25.60</u>
Total	49.30	49.30
Total City of Vestavia Hills	<u>92.60</u>	<u>86.00</u>

[1] By agreement the City provides 28.75 mills of this tax to the Vestavia Hills Board of Education.

Homestead Matters

Prior to 1982, Alabama law did not provide a homestead exemption which reduced the assessed valuation of owner-occupied, single-family residential property for purposes of municipal taxation, except in the case of persons who were totally disabled or who were 65 years of age or older and had an annual taxable income of \$7,500 or less. Reacting to the increase in ad valorem taxes which was anticipated to result from the statewide property reappraisal program conducted during 1982, the Legislature of Alabama in 1982 enacted a law which authorized the governing body of any municipality, county or other local taxing authority to grant by resolution or ordinance a homestead exemption which, when added to any other homestead exemption applicable to the same ad valorem tax levy, will not exceed \$4,000 in assessed value or 160 acres in area. Since no other homestead exemptions for purposes of municipal taxation are provided by existing law except in the special cases of persons who are totally disabled or who are 65 years of age or older, the effect of this law was to empower the governing body of any municipality to reduce at any time the assessed value of owner-occupied, single-family residential property located in such municipality by up to \$4,000 per housing unit. Using the authority granted by this law, the governing body of the City has adopted an ordinance which, during the tax year ending September 30, 1989, provided an exemption of \$1,000 for each housing unit that qualifies as a homestead under the laws of Alabama. The governing body of the City may at any time adjust, rescind or reinstate any homestead exemption provided pursuant to the law.

Significant Property Tax Litigation

The levy, assessment and collection of ad valorem taxes in the State of Alabama have, since 1970, been subject to significant litigation, which has resulted in substantial changes in Alabama's property tax system affecting ad valorem tax receipts of the various taxing authorities and districts. The City does not believe that Jefferson or Shelby Counties (the "Counties") are now a party to any such litigation that relates to ad valorem taxes levied by the Counties, as distinguished from litigation that relates to ad valorem taxes levied by counties generally. There can be no assurance, however, that other litigation concerning the Alabama property tax system in general, or that of Jefferson or Shelby Counties in particular, will not be initiated or resolved in such a manner as to affect adversely the levy or collection of ad valorem taxes by the Counties, including any ad valorem taxes levied for the use and benefit of the City.

Assessment and Collection

For that part of the City which is located in Jefferson County, ad valorem taxes on taxable properties, except motor vehicles and public utility properties, are assessed by the Jefferson County Tax Assessor and collected by the Jefferson County Tax Collector. Ad valorem taxes on motor vehicles in that part of the City located in Jefferson County are assessed and collected by the Jefferson County Revenue Director, and ad valorem taxes on public utility properties are assessed by the State Department of Revenue and collected by the Jefferson County Tax Collector.

For the part of the City located in Shelby County, ad valorem taxes on taxable properties, except motor vehicles and public utility properties, are assessed and collected by the Property Tax Commissioner of Shelby County. The License Commissioner of Shelby County assesses and collects ad valorem taxes on motor vehicles in that part of the City located in Shelby County, and ad valorem taxes on public utility properties are assessed by the State Department of Revenue and collected by the Property Tax Commissioner of Shelby County.

City ad valorem taxes are collected in advance, rather than in arrears. For example, taxes due October 1, 2013 refer to the tax year beginning on October 1, 2012 and ending September 30, 2013.

According to the Jefferson County Tax Collector, the percent of ad valorem taxes levied and collected in the City has been in excess of 97% for the past ten fiscal years.

Largest Ad Valorem Taxpayers

Listed below are the ten largest ad valorem taxpayers in the City, as of September 30, 2015, ranked by the amount of ad valorem taxes paid by each during the tax year ended September 30, 2015.

CITY OF VESTAVIA HILLS, ALABAMA
TEN LARGEST AD VALOREM TAXPAYERS
September 30, 2015

<u>Name</u>	<u>Assessed Value</u>	<u>Municipal Taxes</u>
Urban Center Office, LLC	\$13,260,120	\$653,724
Liberty Park Joint Venture	8,357,680	412,034
Alabama Power Company	8,333,120	396,165
Excel Vestavia, LLC	5,650,780	278,583
Mountain Brook Multifamily Partners, LLC	5,583,040	275,244
Vestavia Hills, Ltd.	4,436,720	218,730
GFTV Vestavia Owner, LLC, Attn: Eric Rosenthal	4,164,780	205,324
CMF 15 Portfolio, LLC	4,035,320	198,941
LTF Real Estate Company, Inc.	3,868,140	190,699
BellSouth Telecommunications, LLC	3,519,800	173,526

Source: Jefferson County Tax Collector

[1] Municipal Taxes above represent the amount paid to the City and to the City's Board of Education.

CITY OF VESTAVIA HILLS, ALABAMA

	Class I^[2]	Class II^[3]	Class III^[4]	Class IV^[5]	Total
	<u>Property of Utilities</u>	<u>All Unclassified Real and Personal Property</u>	<u>Agricultural, Forest, Residential, Historic Property</u>	<u>Motor Vehicles</u>	<u>Assessed Value</u>
Tax Year Ending Sept.30	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Assessed Value
2010	\$11,544,400	\$202,232,866	\$365,176,691	\$57,553,600	\$636,507,557
2011	12,048,200	200,878,589	364,131,089	59,816,340	636,874,218
2012	12,397,340	187,688,873	358,527,823	63,490,140	622,104,176
2013	13,910,920	187,706,520	360,671,500	68,025,880	630,314,820
2014	13,573,860	196,585,700	369,970,520	61,893,220	642,023,300
2015	13,517,440	209,318,940	382,071,380	58,431,344	663,339,104

^[1] (a) The classifications of property for ad valorem taxation, as set forth above, are established by Amendment No. 373 to the Constitution of Alabama of 1901, as amended. See "Classification of Taxable Property" hereinbefore.

(b) The assessed values are provided by:

For Class I, II and III Property: Tax Assessor of Jefferson County and Property Tax Commissioner of Shelby County, Alabama

For Class IV Property: Jefferson County Department of Revenue and License Commissioner of Shelby County, Alabama

^[2] Class I Property consists of all property of utilities used in the business of such utilities and is assessed at the rates of thirty percent (30%) of the fair and reasonable market value thereof.

^[3] Class II Property consists of all real and personal property not otherwise classified in another class (generally commercial property) and is assessed at the ratio of twenty percent (20%) of the fair and reasonable market value thereof. The amounts shown above as assessed values of Class II Property are net of, and do not include, the amounts or values of any abatements, industrial exemptions, other exemptions, or penalties with respect to such property.

^[4] Class III Property consists of all agricultural, forest, single-family owner-occupied residential property, and historic buildings and sites, and is assessed, upon application by the owner, at the ratio of ten percent (10%) of the current use value (and not fair and reasonable market value) of such property. The amounts shown above as assessed values of Class III Property are net of, and do not include, the amounts or values of any homestead exemptions with respect to such property.

^[5] Class IV Property consists of motor vehicles owned and operated by individuals for personal or private use, and not for hire, rent or compensation, and is assessed at the ratio of fifteen percent (15%) of the fair and reasonable market value thereof.

CITY DEBT MANAGEMENT

The principal forms of indebtedness that the City is authorized to incur include general obligation bonds, General Obligation Warrants, general obligation bond anticipation notes, revenue anticipation notes, gasoline tax anticipation bonds and various revenue anticipation bonds and warrants relating to enterprises. In addition, the City has the power to enter into certain leases which constitute a charge on the general credit of the City, to guarantee obligations of certain public corporations and to enter into certain funding agreements with regard to the obligation of other public agencies. General Obligation Warrants, certain revenue anticipation bonds, warrants and notes and capitalized lease obligations may be issued or incurred without voter approval. Except for private activity revenue bonds, for which the City has no liability, the City has not issued any revenue bonds or revenue bond anticipation notes.

Constitutional Debt Limitation

The City's present constitutional debt limit is an amount equal to twenty percent (20%) of the assessed value of the property therein. However, the following, among other types of indebtedness, are, under existing law, not chargeable against the City's constitutional debt limit: obligations issued for the purpose of acquiring, providing or constructing schools, water works or sewers; obligations incurred for street or sidewalk improvements where the costs thereof, in whole or in part, are to be assessed against the property abutting such improvements; subject to certain conditions, tax anticipation notes; certain lease obligations; certain obligations to make contributions towards the debt service of other public entities; and revenue securities issued for the purpose of extending, enlarging or improving water, electric, gas or sewer systems and payable solely from the revenues of one or more of such systems.

Computation of Constitutional Debt Margin

The constitutional debt margin of the City after the issuance of the Warrants is as follows:

<u>Net</u> assessed value of taxable property, including motor vehicles, after exemptions as of September 30, 2015	\$663,339,104 ^[1]
Debt limit (20% of net assessed value)	132,667,821
Outstanding general obligation debt	61,271,049 ^[2]
Total debt chargeable against limit	61,271,049
Constitutional debt margin	<u>\$71,396,772</u>

[1] As reported by Tax Assessors of Jefferson and Shelby Counties, Revenue Department of Jefferson County (motor vehicles) and Judge of Probate of Shelby County (motor vehicles) for fiscal year ending September 30, 2015.

[2] The outstanding general obligation debt of the City includes (a) the total General Obligation Warrants outstanding after issuance of the Warrants of \$56,670,000 as set forth under "General Obligation Warrants" hereinafter and (b) capitalized leases of \$2,812,513 and (c) the long-term portion of the accrued compensated absences of the City as of September 30, 2015 of \$1,788,536 as shown on the audited financial statements of the City for such fiscal year. All of such outstanding general obligation debt of the City is chargeable against the constitutional debt limit thereof.

Authorized But Unissued Debt

The City currently has no authorized but unissued bonds or warrants.

General Obligation Warrants

The following table lists all General Obligation Warrants that will be outstanding after the issuance of the Warrants:

Issue	Principal Outstanding
General Obligation Warrants, Series 2016	\$11,810,000
General Obligation Warrants, Series 2015	\$9,035,000
General Obligation Warrants, Series 2014	9,010,000
General Obligation Warrants, Series 2014 CWSRF-DL	920,000
General Obligation Warrants, Series 2013-A	10,000,000
General Obligation Warrants, Series 2013	4,245,000
General Obligation Warrants, Series 2012	3,755,000
General Obligation Warrants, Series 2009-A	935,000
General Obligation Warrants, Series 2009-B	5,765,000
General Obligation Warrants, Series 2008	<u>1,195,000</u>
Total	<u>\$56,670,000</u>

General Obligation Capitalized Leases

The City has entered into long-term financing leases for vehicles, equipment, and software, of a total liability of approximately \$2,812,513. Such lease payments are general obligations of the City.

Economic Development Incentive Obligations

The City has entered into agreements in recent years with other entities for economic development purposes. Pursuant to these agreements, the City will make payments over stated periods of years for the development of various commercial enterprises and projects that the City has determined will promote the tax and revenue base of the City and increase employment opportunities in the City. The City generally expects, based upon information provided to it and upon certain assumptions, that these other agreements will result in greater tax revenues for the City than the City is obligated to pay under such agreements.

The City's obligations under these agreements are incurred pursuant to Amendment No. 772 of the Constitution of Alabama of 1901, as amended, and are limited obligations payable generally as rebates of certain percentages of taxes actually received by the City. The obligations of the City under such agreements are not chargeable against the constitutional debt limit of the City.

No Derivatives Transactions

The City is not a party to any interest rate swap or other derivatives transactions and has no present expectation to enter into any such swap or derivatives transaction. The City does, however, have authority to enter into such agreements or transactions from time to time in its discretion and in accordance with applicable laws of the State of Alabama.

Statement of Debt to Assessed Value and Debt Per Capita

The following table shows the City's ratio of debt to assessed value, and debt per capita.

Fiscal Year Ended 9/30	Population ^[1]	Assessed Value ^[2]	Net General Obligation Debt ^{[3] [4]}	Ratio of Net General Obligation Debt to Assessed Value	Net General Obligation Debt per Capita
2004	31,037	\$517,837,304	\$36,909,655	7.12	\$1,189.21
2005	31,024	547,988,455	35,435,501	6.46	1,142.20
2006	31,051	596,837,115	32,386,220	5.42	1,043.00
2007	31,051	629,148,174	42,076,567	6.68	1,355.00
2008	31,051	664,553,737	56,037,934	8.43	1,804.71
2009	31,051	644,553,263	48,102,808	7.46	1,549.15
2010	34,033	636,647,337	45,823,872	7.19	1,346.45
2011	34,033	637,018,278	40,793,872	6.40	1,198.66
2012	34,033	622,104,176	41,726,376	6.71	1,226.06
2013	34,018	630,314,820	61,267,019	9.72	1,801.02
2014	34,018	642,023,300	62,639,663	9.76	1,841.37
2015	34,018	663,339,104	61,271,049	9.24	1,801.14

[1] U.S. Bureau of the Census (Population Estimates Division for 1996-1999; 2002-2006; Population Census for 2000 and 2001 and 2010).

[2] Includes all real, personal and public utility property and all motor vehicles.

Source: Tax Assessor of Jefferson County and Jefferson County Department of Revenue (motor vehicles) and Tax Assessor of Shelby County and Shelby County Judge of Probate (motor vehicles) for the fiscal years 1997-2015, inclusive.

[3] As shown in the audited financial statements of the City for the fiscal years 1997-2015, inclusive (including accrued compensated absences and not including capitalized leases).

[4] For the fiscal year ending September 30, 2015, the outstanding general obligation debt of the City includes (a) the total General Obligation Warrants outstanding after issuance of the Warrants of \$56,670,000 as set forth under "General Obligation Warrants" hereinafter and (b) capitalized leases of \$2,812,513 and (c) the long-term portion of the accrued compensated absences of the City as of September 30, 2015 of \$1,788,536 as shown on the audited financial statements of the City for such fiscal year.

Debt Service on Outstanding General Obligation Warrants

The following table sets forth the City's general obligation debt requirements for payment of principal and interest after the issuance of the Warrants.

Fiscal Year Ended 9/30	General Obligation Warrants Series 2016	General Obligation Warrants Series 2015	General Obligation Warrants Series 2014 CWSRF-DL	General Obligation Warrants Series 2014	General Obligation Warrants Series 2013-A	General Obligation Warrants Series 2013 ^[1]	General Obligation Warrants Series 2012	General Obligation Warrants Series 2009-A	Taxable General Obligation Warrants Series 2009-B ^[2]	Subsidy for 2009-B Warrants ^[2]	Unrefunded General Obligation Warrant Series 2008	Total General Obligations ^[3]
2016		\$105,291	\$50,350	\$164,325	\$201,558	\$16,449	\$92,675	\$14,306	\$147,475	(\$47,849)	\$24,281	\$768,861
2017	\$413,077	354,858	59,800	813,900	403,115	203,949	1,141,350	72,938	602,050	(91,511)	621,863	4,595,389
2018	394,450	358,383	58,900	813,900	403,115	203,949	680,150	460,663	666,750	(86,547)	622,581	4,576,294
2019	502,800	980,858	58,000	619,050	403,115	203,949	682,050	457,031	654,138	(80,833)	--	4,480,158
2020	959,550	981,933	62,100	624,225	403,115	203,949	679,875	--	650,575	(74,810)	--	4,490,512
2021	1,200,950	981,483	61,088	633,875	403,115	203,949	673,500	--	396,850	(70,357)	--	4,484,453
2022	1,225,375	979,733	60,075	628,150	403,115	203,949	358,750	--	685,753	(65,134)	--	4,479,766
2023	1,600,400	977,683	59,063	543,475	403,115	203,949	--	--	744,681	(56,675)	--	4,475,691
2024	1,709,300	979,843	58,050	273,800	403,115	203,949	--	--	720,697	(47,271)	--	4,301,483
2025	1,713,600	975,534	62,038	282,800	403,115	203,949	--	--	700,606	(37,508)	--	4,304,134
2026	1,720,200	979,655	60,913	281,600	403,115	203,949	--	--	684,125	(27,294)	--	4,306,263
2027	1,731,000	982,031	59,788	290,200	403,115	203,949	--	--	651,500	(16,709)	--	4,304,874
2028	1,727,100	982,610	58,663	293,500	403,115	203,949	--	--	642,500	(5,678)	--	4,305,759
2029	--	--	62,538	3,168,000	403,115	203,949	--	--	--	--	--	3,837,602
2030	--	--	61,300	3,166,400	403,115	203,949	--	--	--	--	--	3,834,764
2031	--	--	60,063	112,200	3,454,258	203,949	--	--	--	--	--	3,830,470
2032	--	--	58,825	--	3,573,100	203,949	--	--	--	--	--	3,835,874
2033	--	--	57,588	--	3,590,400	187,500	--	--	--	--	--	3,835,488
2034	--	--	61,350	--	--	--	--	--	--	--	--	61,350
Total	\$14,897,802	\$10,619,895	\$1,130,492	\$12,709,400	\$16,462,926	\$3,467,133	\$4,308,350	\$1,004,938	\$7,947,700	(\$708,176)	\$1,268,725	\$73,109,185

- [1] The principal of and interest on the General Obligation Warrants Series 2013 (the "Series 2013 Warrants") is payable in the amount of \$330,238 in each of the fiscal years 2015 through 2032 inclusive and in the amount of \$250,644 in fiscal year 2033. Included in such amount in each fiscal year is the amount of \$171,050.66 which the City shall pay each fiscal year into an invested sinking fund for the Warrants. The amounts in such sinking fund (a) shall be applied to the payment of the principal of the Warrants on February 1, 2033 and (b) shall not be paid to the holders of the Warrants until such date. The Series 2013 Warrants receive a federal subsidy defined as the "QECB Subsidy Payments" subject to continuing compliance by the City with the provisions of the Internal Revenue Code of 1986, as amended, with respect thereto, in an amount equal to \$126,289 in each of the fiscal years 2016 through 2032 inclusive and in the amount of \$63,144 in fiscal year 2033. The amounts shown above as annual debt service on the Series 2013 Warrants are payable in each year after reduction of such subsidy.
- [2] The Taxable General Obligation Series 2009-B Warrants receive a federal subsidy equal to 32.445% of annual interest payments, as "Build America Bonds," subject to continuing compliance by the City with the provisions of the Internal Revenue Code of 1986, as amended, with respect thereto.
- [3] Does not include accrued compensated absences or capitalized leases.

ECONOMIC AND DEMOGRAPHIC INFORMATION

Geographical and Historical

Vestavia Hills was incorporated on November 8, 1950 after four years of planned development.

Vestavia Hills is a planned residential city located in Jefferson County (and a portion of Shelby County) in the north central area of the State of Alabama. Its present primary developed area is situated three miles south of Birmingham and borders on the cities of Homewood, Irondale, Mountain Brook, Hoover, and unincorporated areas of Jefferson and Shelby Counties. The core of the City's economy is based on professional and service oriented establishments and retail trade. There are no significant industries located within the corporate limits of Vestavia Hills.

Vestavia Hills is one of several affluent, primarily residential, communities in the greater Birmingham area and is well known for an excellent public education system operated by the City Board of Education of the City of Vestavia Hills, Alabama.

Vestavia Hills is located within the Birmingham-Hoover Metropolitan Statistical Area ("MSA")¹ and many economic and demographic characteristics of the City of Vestavia Hills are not separately measured or are included within the same for the Birmingham-Hoover MSA, presented hereinafter under "The Birmingham-Hoover Metropolitan Statistical Area."

The City of Birmingham is the most populous city in Alabama and the principal city in the MSA, with an estimated 2014 population of 212,247. Birmingham is the county seat of Jefferson County (estimated 2014 population, 660,793) and is located in north central Alabama within 200 miles of Atlanta, Nashville, Memphis and Montgomery.

The Birmingham-Hoover MSA is among the most economically diversified areas in the nation. Healthcare, banking and professional services have replaced steel production as the leading economic sectors. Automotive manufacturing has also emerged as a major player in the region's economic base with the location of major automotive production facilities and suppliers.

The region's healthcare sector is among the best in the Southeast and includes the world-renowned University of Alabama Medical School, which is ranked among the top three Southeastern medical schools in NIH (National Institutes of Health) allocations.

Banking and finance is also a major part of the region's economic base. Birmingham is the Southeast's largest banking center outside Charlotte, North Carolina.

The Birmingham-Hoover metropolitan area is the center of the nation's fastest developing automotive manufacturing region. Mercedes Benz, Honda and Hyundai have major manufacturing facilities within an eighty-five mile radius of downtown Birmingham. The region's economic base has benefited from its proximity to these major manufacturing facilities with the location of several automotive suppliers.

¹ The Birmingham Standard Metropolitan Statistical Area (SMSA) was established in 1967, and originally included Jefferson, Shelby and Walker Counties. St. Clair County was added to the SMSA in 1973. Blount County was added in 1983, at which time the official federal government designation became the Birmingham Metropolitan Statistical Area (MSA). Walker County was removed from the Birmingham MSA in 1993. Bibb, Chilton and Walker County were added in 2003, at which time the official federal government designation became the Birmingham-Hoover MSA.

Annexation of Cahaba Heights Fire District

During the fiscal year which began on October 1, 2001, the City annexed the Cahaba Heights Fire District into the City. The Cahaba Heights Fire District is an area of approximately 2,016 acres (3.15 square miles) generally contiguous to the City.

Population in the City

The first official census in which the City was included was conducted in 1960. This census indicated that Vestavia Hills had a population of 4,029. The 1970 census revealed a significant growth in population to 12,250. Most of this growth was the result of property annexation. A special census conducted in 1975 revealed a population increase to 14,199. The 1980 census reported a population of 15,722 and the 1990 census reported a population of 19,749. The City has experienced steady population growth and the 2000 Census reported a population of 24,476, an increase of approximately 25%. After the annexation of Cahaba Heights in October 2001, the Census Bureau amended the census to reflect a population of 30,418. The 2010 census indicated a population of 34,033, with an estimated population of 34,018 for 2013.

Employment in the City

The largest employers in the City of Vestavia Hills are as follows:

	<u>Employer</u>	<u>Business</u>	<u>Employees</u>
1.	Vestavia Hills City School System	Public Education	846
2.	Vulcan Materials	Construction Sand and Gravel	385
3.	City of Vestavia Hills	Municipal Government	318
4.	Life Time Fitness	Health Club and Gym	250
5.	Spectrum Business	Communications	200
6.	Publix Alabama, LLC	Grocery Store	179
7.	NaphCare, Inc.	Correctional Healthcare Services	156
8.	Royal Automotive, Inc.	Car Dealership	140
9.	Drummond Companies	Coal Mining	127
10.	Carr Allison	Litigation Law Firm	114
11.	Wal-Mart Neighborhood Grocery	Retail Store	100
12.	MedManagement, LLC	Management Consulting Services	90
13.	Darden Restaurants (Red Lobster)	Full-Service Dining	59
14.	Western Supermarkets	Grocery Store	68

Source: The City (July 8, 2015)

Housing Units

Housing units in the City of Vestavia Hills have increased as follows:

	<u>Housing Units</u>				<u>Percent Change**</u>
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2013*</u>	
City of Vestavia Hills	8,034	10,523	14,952	14,939	42.0%

According to the U.S. Census Bureau, American Community Survey, the median value of single family housing in the City was \$348,000,* and the State average was \$122,800.*

*3-year Estimates (2011-2013).

**2000-2013

Per Capita Income

The following table presents general information regarding per capita income levels in the City of Vestavia Hills and the State of Alabama:

	<u>1979</u>	<u>1989</u>	<u>1999</u>	<u>2009</u>	<u>2013*</u>
City of Vestavia Hills	\$12,941	\$25,940	\$40,392	\$50,017	\$51,369
State of Alabama	5,894	11,486	18,189	22,984	23,680

Source: Alabama Municipal Data Book 1985, 1993, 2000, 2010 U.S. Census and American Community Survey.
*5-year Estimates (2009-2013).

Median Income

Median family income levels have been as follows for the periods indicated:

	<u>1979</u>	<u>1989</u>	<u>1999</u>	<u>2009</u>	<u>2013*</u>
City of Vestavia Hills	\$33,620	\$61,182	\$89,746	\$113,498	\$111,169
State of Alabama	16,347	28,688	41,657	52,863	54,362

Source: Alabama Municipal Data book 1985, 1993, 2000, 2010 U.S. Census and American Community Survey.
*5-year Estimates (2009-2013).

Poverty Level

Persons with incomes less than the poverty level have been as follows for the periods indicated:

	<u>1979</u>	<u>1989</u>	<u>1999</u>	<u>2009</u>	<u>2013*</u>
City of Vestavia Hills	2.9%	2.6%	3.1%	4.0%	5.4%
State of Alabama	18.9	18.3	16.1	17.1	18.6

Source: Alabama Municipal Data book 1985, 1993, 2000, 2010 U.S. Census and American Community Survey.
*5-year Estimates (2009-2013).

Education in the City

In 2013, it was estimated that approximately 97.3% of the population of the City were high school graduates and 67.7% were college graduates. The State averages were 83.1% and 22.6%, respectively.

Source: U.S. Census Bureau, 2009-2013 American Community Survey 5-year Estimates.

The public school system operated by the City Board of Education of the City of Vestavia Hills, Alabama (the "Board") is nationally recognized for excellence. The Board operates five elementary schools, two middle schools, and a high school, and maintains a 13-9 to 28-9 student-teacher ratio.

Enrollment per average daily membership has been as follows:

<u>School Year</u>	<u>Total Enrollment</u>
1996-97	4,239
1997-98	4,283
1998-99	4,305
1999-00	4,375
2000-01	4,465
2001-02	4,565
2002-03	4,685
2003-04	5,221
2004-05	5,391
2005-06	5,696
2006-07	5,693
2007-08	5,834
2008-09	6,005
2009-10	6,186
2010-11	6,285
2011-12	6,444
2012-13	6,602
2013-14	6,701
2014-15	6,780
2015-16	6,950

ECONOMIC AND DEMOGRAPHIC INFORMATION FOR BIRMINGHAM-HOOVER METROPOLITAN STATISTICAL AREA

General

The City of Vestavia Hills, Alabama, is included within the Birmingham-Hoover Metropolitan Statistical Area.

The Birmingham-Hoover Metropolitan Statistical Area ("MSA") includes Bibb, Blount, Chilton, Jefferson, St. Clair, Shelby and Walker Counties, encompassing a total land area of 3,188 square miles.

The Birmingham Standard Metropolitan Statistical Area ("SMSA") was established in 1967, and originally included Jefferson, Shelby and Walker Counties. St. Clair County was added to the SMSA in 1973. Blount County was added in 1983, at which time the official federal government designation became the Birmingham Metropolitan Statistical Area (MSA). Walker County was removed from the Birmingham-Hoover MSA.

The Birmingham Metropolitan Area is a major population center located in the foothills of the Appalachian Mountains. The seven county metropolitan region has a 2014 population of 1,143,772 and is the midpoint between the highest peaks of the Appalachian Mountains and the Gulf of Mexico beaches. The region experiences an average annual temperature of 61.8 degrees with an average annual snowfall amount of 1.4 inches.

The City of Birmingham (the "City") is the most populous city in Alabama, with an estimated 2014 Census population of 212,247. The City is the county seat of Jefferson County and is located in north central Alabama within 200 miles of Atlanta, Nashville, Memphis and Montgomery. In 2000, the Birmingham-Hoover MSA was expanded to include additional counties and was officially designated the Birmingham-Hoover MSA by the Federal Office of Management and Budget. The seven Birmingham-Hoover MSA counties are: Bibb, Blount, Chilton, Jefferson, St. Clair, Shelby and Walker. Jefferson County, which had an estimated population of 660,793 in 2014, is the center of the seven-county Birmingham-Hoover Metropolitan Statistical Area (MSA)", which covers approximately 5,310 square miles. The total population of the 7 counties now comprising the Birmingham-Hoover MSA was 1,143,772 in 2014. Birmingham is the principal health care, financial, transportation, distribution and wholesale and retail center of the State. The Medical Center of the University of Alabama at Birmingham and the facilities of Birmingham's other hospitals serve as a State and regional center for health care.

The economic and demographic information included in this section demonstrates generally that the population of the City is declining but that population in surrounding areas is growing and that other economic statistics for the City and adjacent areas indicate a stable economy. In the early to mid-1980s, the City conducted an aggressive annexation campaign, increasing the area of the City from approximately 101 to 160 square miles, which added approximately 1,500 new residents. Much of the land annexed by the City was undeveloped or commercial. Currently, however, there is no proactive pursuit of annexation.

Population

The Birmingham-Hoover MSA has experienced steady population growth over the years. Although the City of Birmingham experienced a 14.4 percent loss in population between 2000 and 2014, the Birmingham-Hoover MSA grew 8.7 percent from 2000 to 2014. The suburban counties of Blount, Shelby and St. Clair experienced some of the fastest growth in population in the State. It is anticipated that most of the population growth in the Birmingham-Hoover MSA will continue to occur outside the present corporate limits of the City and that the City will continue to serve as an employment, service and cultural center for residents of the suburban areas. The following table summarizes historical population trends for Birmingham, Jefferson County, the Birmingham-Hoover MSA, and the State of Alabama.

<u>Population Trends</u>				
Year	Birmingham	Jefferson County	Birmingham-Hoover MSA	State of Alabama
2014*	212,247	660,793	1,143,772	4,849,377
2010	212,237	658,466	1,128,047	4,779,736
2000	242,820	662,047	1,052,238	4,447,100
1990	265,968	651,520	956,858	4,040,389
1980	286,799	671,371	884,040	3,894,025
1970	300,910	644,991	794,083	3,444,354
1960	340,887	634,864	772,044	3,266,740
1950	326,037	558,928	708,721	3,061,743

Sources: Birmingham Business Alliance The Chamber for Regional Prosperity and U.S. Census Bureau.

*Estimated

Employment Statistics

In the past, the Birmingham area economy has (along with the economies of other industrial urban areas) been adversely affected by the nationwide reduction in activity and employment in the industrial sector. However, the local economy has become increasingly diversified. The following table presents comparative unemployment statistics:

COMPARATIVE EMPLOYMENT TRENDS Annual Averages (In thousands)

	<u>2015*</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Birmingham	86.5	85.7	86.1	85.8	85.1	83.9	85.5	92.2	95.2	95.8	96.4
Employed											
Unemployed	6.2	7.3	7.8	8.7	11.0	12.3	12.5	6.7	4.8	5.1	5.6
Unemployment Rate	6.7%	7.9%	8.3%	9.2%	11.5%	12.8%	12.8%	6.8%	4.8%	5.0%	5.5%
Birmingham MSA	506.9	502.5	505.1	502.3	495.1	486.8	472.5	506.2	515.5	515.5	508.8
Employed											
Unemployed	28.4	32.0	34.2	37.7	47.5	53.0	53.9	26.8	19.1	20.0	21.8
Unemployment Rate	5.3%	6.0%	6.3%	7.0%	8.8%	9.8%	10.2%	5.0%	3.6%	3.7%	4.1%
Jefferson County	294.7	292.2	293.6	292.9	289.7	285.6	274.0	294.8	302.6	304.0	303.3
Employed											
Unemployed	17.4	19.7	21.1	23.4	29.7	32.9	33.0	16.8	12.1	12.7	14.1
Unemployment Rate	5.6%	6.3%	6.7%	7.4%	9.3%	10.3%	10.8%	5.4%	3.9%	4.0%	4.4%
Shelby County	102.1	101.3	101.8	100.1	97.6	95.1	92.0	97.4	97.0	95.7	91.8
Employed											
Unemployed	4.4	4.8	5.0	5.4	6.5	7.3	7.8	3.8	2.6	2.7	2.9
Unemployment Rate	4.1%	4.5%	4.7%	5.1%	6.3%	7.1%	7.8%	3.7%	2.6%	2.7%	3.1%
State of Alabama	2,018.6	2,003.9	2,011.6	2,002.6	1,988.8	1,964.6	1,924.7	2,053.5	2,089.1	2,080.2	2,049.8
Employed											
Unemployed	125.4	146.2	157.0	173.3	212.7	231.5	238.3	123.0	86.5	87.6	96.2
Unemployment Rate	5.8%	6.8%	7.2%	8.0%	9.7%	10.5%	11.0%	5.7%	4.0%	4.0%	4.5%
United States	149,703	146,305	143,929	142,469	139,869	139,064	139,877	145,362	146,047	144,427	141,730
Employed											
Unemployed	7,542	9,617	11,460	12,506	13,747	14,825	14,265	8,924	7,078	7,001	7,591
Unemployment Rate	4.8%	6.2%	7.4%	8.1%	8.9%	9.6%	9.3%	5.8%	4.6%	4.6%	5.1%

Source: U.S. Department of Labor, Bureau of Labor Statistics

*Estimates as of December, 2015.

Note: Unemployment rates computed using unrounded data; not seasonally adjusted.

The following table lists the twenty largest employers in the Birmingham-Hoover MSA as of January, 2016:

**BIRMINGHAM-HOOVER MSA*
LARGEST EMPLOYERS**

<u>Employee</u>	<u>Service or Product</u>	<u>Number of Employees</u>
University of Alabama at Birmingham*	Education, healthcare services	23,000
Regions Financial Corporation	Financial services (banking)	7,134
Honda Manufacturing of Alabama, LLC**	Automotive manufacturing	4,800
St. Vincent's Health System	Healthcare, management services	4,786
Baptist Health System, Inc.	Healthcare, management services	4,633
Children's of Alabama	Healthcare, management services	4,543
AT&T	Telecommunications	4,517
Alabama Power Company	Utilities	3,982
Blue Cross-Blue Shield of Alabama	Financial services (insurance)	3,570
Mercedes-Benz U.S. International, Inc.***	Automotive manufacturing	3,500
U.S. Postal Service	Government, mail processing/delivery	2,800
BBVA Compass	Financial services (banking)	2,765
Buffalo Rock Company	Food products, bottling manufacturer	2,200
Southern Company Services	Utilities	2,116
U.S. Steel	Manufacturing, pipe mill	1,900
Trinity Medical Center	Healthcare, management services	1,893
Social Security Administration	Financial services (benefits)	1,800
Brookwood Medical Center	Healthcare, management services	1,636
American Cast Iron Pipe Co.	Manufacturing, metal & iron pipe	1,600
Birmingham Veterans Affairs Medical Ctr.	Healthcare, management services	1,525

Source: Birmingham Business Alliance The Chamber for Regional Prosperity.

*University of Alabama Health Services Foundation is included in total UAB employment.

**Honda Manufacturing of Alabama is located in the consolidated metropolitan Birmingham Region.

***Mercedes-Benz U.S. International, Inc. is located in Vance, metropolitan Tuscaloosa, less than ten miles from metropolitan Birmingham (Jefferson County).

The following chart presents comparative employment statistics by type of employment in the Birmingham-Hoover MSA. The data includes all full and part-time non-agricultural wage and salary employees, but excludes proprietors, self-employed persons, workers in private households and unpaid family workers.

**BIRMINGHAM-HOOVER MSA
HISTORIC DISTRIBUTION OF NON-AGRICULTURAL EMPLOYMENT
(Jobs in Thousands)**

<u>Sector</u>	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2015*</u>
Goods-Producing	96.5	81.2	84.5	61.9	67.1
Mining and Logging	9.9	3.4	2.6	2.9	2.9
Construction	20.4	23.2	30.4	24.7	27.3
Manufacturing	66.2	54.6	51.5	34.8	36.9
Durable Goods	48.9	35.3	33.0	24.3	26.5
Nondurable Goods	17.3	19.3	18.4	10.5	10.4
Service-Providing	260.5	319.8	401.9	427.5	457.3
Transportation & Utilities	29.3	31.4	30.8	28.2	31.0
Trade	83.7	95.4	119.4	85.1	91.4
Finance & Insurance	23.0	29.6	38.2	31.0	36.6
Services	67.1	100.7	145.0	191.7	209.8
Government	57.4	62.7	68.5	84.1	82.2

Source: Alabama Department of Labor.

*Estimates as of December, 2015

The following table shows employment data for occupation and industry for the Birmingham-Hoover MSA from the 2010-2014 American Community Survey 5-Year Estimates:

	Number Employed	Percentage
<u>Occupation</u>		
Management, business, science, and arts occupations	183,079	36.7%
Service occupations	80,194	16.1
Sales and office occupations	129,671	26.0
Natural resources, construction, and maintenance occupations	44,812	9.0
Production, transportation, and material moving occupations	61,137	12.3
<u>Industry</u>		
Agricultural, forestry, fishing and hunting, and mining	6,189	1.2%
Construction	32,805	6.6
Manufacturing	47,773	9.6
Wholesale trade	15,749	3.2
Retail trade	58,771	11.8
Transportation and warehousing, and utilities	28,005	5.6
Information	12,087	2.4
Finance and insurance, real estate, and rental and leasing	42,253	8.5
Professional, scientific, management, administrative, and waste management services	49,338	9.9
Educational, health care and social assistance services	116,586	23.4
Arts, entertainment, recreation, accommodation and food services	39,712	8.0
Other services, except public administration	27,740	5.6
Public administration	21,885	4.4

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year Estimates.

Since 1970 Jefferson County has undergone restructuring from a manufacturing-based to a service-based economy. Nationwide recessions in 1973-74, 1980 and 1982-83 caused significant declines in durable goods manufacturing, particularly in the steel industry. The local economy, however, became more diversified as a result of significant growth in fields such as health services and health sciences research.

The area's 15 hospitals and numerous specialized health care facilities have turned Birmingham into a major medical center. The University of Alabama at Birmingham, the area's largest employer, is home to a world-known patient-care and research medical center. The Kirklin Clinic, opened in July 1992 by the University of Alabama Health Services Foundation, has enhanced Birmingham's reputation in healthcare. Birmingham is Alabama's center for advanced technology, with high-technology firms involved in industries such as telecommunications, engineering, aerospace design and computer services, in addition to health care. Southern Research Institute, located on Birmingham's Southside, is the largest nonprofit independent research laboratory located in the Southeast.

Per Capita Personal Income

Per Capita Personal Income is defined as the current income from all sources received by one resident in an area. It is measured before deduction of income and other personal taxes, but after deduction of personal contributions for social security, government retirement, and other social insurance programs. Per capita personal income in the Birmingham-Hoover MSA and the County are above average for the State. Per capita personal incomes in the Birmingham-Hoover MSA are at the national average, while per capita personal incomes in the County are above national average.

The following chart provides a comparison of per capita income among the Birmingham-Hoover MSA, Jefferson County, the State and the United States:

	<u>Jefferson County</u>		<u>Birmingham MSA</u>		<u>State of Alabama</u>		<u>United States</u>	
	<u>Income</u>	<u>% of National Average</u>	<u>Income</u>	<u>% of National Average</u>	<u>Income</u>	<u>% of National Average</u>	<u>Income</u>	<u>% of National Average</u>
2014	\$48,582	106	\$44,256	96	\$37,512	81	\$46,049	100
2013	46,631	105	42,477	96	36,176	81	44,438	100
2012	47,156	107	42,841	97	36,036	81	44,266	100
2011	44,822	106	41,031	97	35,202	83	42,453	100
2010	42,873	106	39,338	98	34,073	85	40,277	100
2009	41,465	105	38,229	97	33,027	84	39,376	100
1999	29,384	103	27,672	97	23,516	82	28,627	100
1989	17,744	95	16,852	90	14,965	80	18,653	100
1979	8,682	94	8,199	89	7,234	79	9,212	100

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Median Family Income

Median Family Income is defined by the U.S. Census as the amount which divides the income distribution of families into two equal groups, half having incomes above the median, half having incomes below the median.

**National, State and Birmingham-Hoover MSA
Median Family Income**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015*</u>
United States	\$62,400	\$62,872	\$62,104	\$62,363	\$64,440	\$64,200	\$65,000	\$64,400	\$63,900	\$65,800
Alabama	54,800	53,471	51,722	50,779	54,100	54,600	55,400	53,600	54,100	55,500
Birmingham-MSA	57,400	55,500	59,100	60,900	61,700	62,000	62,800	57,100	61,000	62,500

Source: U.S. Department of Housing and Urban Development.

*Estimated

Information regarding household and family income in the City of Birmingham for 2014 is as follows:

	<u>Number</u>	<u>Percent</u>
<u>Households</u>	88,817	100.0
Less than \$10,000	14,873	16.7
\$10,000 to \$14,999	8,484	9.6
\$15,000 to \$24,999	13,765	15.5
\$25,000 to \$34,999	11,472	12.9
\$35,000 to \$49,999	12,965	14.6
\$50,000 to \$74,999	13,491	15.2
\$75,000 to \$99,999	6,284	7.1
\$100,000 to \$149,999	4,830	5.4
\$150,000 to \$199,999	1,369	1.5
\$200,000 or more	1,284	1.4
Median household income (dollars)	31,217	(X)
 <u>Families</u>	 47,952	 100.0
Less than \$10,000	6,136	12.8
\$10,000 to \$14,999	3,503	7.3
\$15,000 to \$24,999	6,881	14.3
\$25,000 to \$34,999	6,320	13.2
\$35,000 to \$49,999	7,171	15.0
\$50,000 to \$74,999	8,131	17.0
\$75,000 to \$99,999	4,311	9.0
\$100,000 to \$149,999	3,602	7.5
\$150,000 to \$199,999	980	2.0
\$200,000 or more	917	1.9
Median family income (dollars)	37,014	(X)
Per capita income (dollars)	19,640	(X)
Median earnings (dollars):		
Male full-time, year-around workers	35,838	(X)
Female full-time, year-around workers	32,160	(X)

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year Estimates.

Education

The Birmingham public school system included approximately 24,010 students in approximately 44 schools as of the academic year 2015-2016.

Jefferson County is the home of seven colleges and universities, six business schools and seven junior colleges and trade schools. These schools have a combined enrollment of over 45,356. The largest institution is the University of Alabama at Birmingham (UAB), which includes University College, the Graduate School and the UAB Medical Center. The UAB complex, featuring a wide range of undergraduate, graduate and professional programs, is the fourth largest educational institution in Alabama, with a total enrollment of approximately 18,698. The UAB Medical Center consists of the schools of medicine, dentistry, nursing, optometry and public health and the School of Community and Allied Health. UAB has an annual payroll exceeding \$1.2 billion and is the largest employer in the county.

**Institutions of Higher Education
Jefferson County**

<u>Name</u>	<u>Type</u>	<u>Approximate Enrollment</u>
Four-Year		
Birmingham School of Law	Private	500+
Birmingham-Southern College	Private	1,185
Brown Mackie College (Birmingham)	Private	898
Herzing University (Birmingham)	Private	309
ITT Technical Institute (Bessemer)	Private	500
Miles College	Private	1,782
Samford University	Private	4,933
Southeastern Bible College	Private	173
Strayer University (Alabama)	Private	833
University of Alabama at Birmingham*	State Supported	18,698
University of Phoenix (Birmingham)	Private	211
Virginia College (Birmingham)	Private	2,818
Two-Year		
Alabama State College of Barber Styling	Private	25
Fortis Institute (Birmingham)	Private	592
Jefferson State Community College	State Supported	8,516
Lawson State Community College (Birmingham)	State Supported	3,090
Nunation School of Cosmetology	Private	13
Paul Mitchell the School (Birmingham)	Private	174
Regency Beauty Institute (Hoover)	Private	46
Southeastern School of Cosmetology	Private	60

* Includes advanced professional degree students, such as resident and interns.

Source: U.S. Department of Education, Institute of Education Sciences, National Center for Education Statistics.

The following table demonstrates the percentage of the population who are high school graduates and who have completed bachelor's degrees for the City of Birmingham, the Birmingham-Hoover MSA, the State of Alabama and the United States for 2014.

Educational Levels

	<u>Percent of Population High School Graduates</u>	<u>Percent of Population With Completed Bachelor's Degree or More*</u>
City of Birmingham	83.9	23.1
Birmingham-Hoover MSA**	86.2	27.9
State of Alabama	83.7	23.1
United States	86.3	29.3

* 25 years old or older.

Sources: U.S. Census Bureau, 2010-2014 American Community Survey 5-year Estimates.

** U.S. Census Bureau, 2011-2013 American Community Survey 3-year Estimates.

Housing and Construction

The City of Birmingham has aggressively promoted renovation and construction of housing within the city. Programs which have stimulated housing are as follows: The City Grant plus 2356 Housing Assistance Program, for construction of single-family units; the City Rebate Grant Program, for home maintenance and improvements; and the city Rental Rebate Assistance Program, for multifamily housing improvements for low- and moderate-income persons.

The following table provides comparative information on housing units in Birmingham, Jefferson County, Shelby County and the Birmingham-Hoover MSA in 1980, 1990, 2000, 2010 and 2014.

BIRMINGHAM-HOOVER MSA HOUSING UNITS

	<u>Housing Units</u>					<u>Percent Change</u>		
	<u>2014*</u>	<u>2010</u>	<u>2000</u>	<u>1990</u>	<u>1980</u>	<u>2000-2010</u>	<u>1990-2000</u>	<u>1980-1990</u>
Birmingham	111,233	108,981	111,927	117,691	114,503	(2.7)	(4.9)	2.8
Jefferson County	302,599	300,552	288,162	273,097	259,805	4.3	5.5	5.1
Shelby County	82,242	80,970	59,302	39,201	24,644	36.5	51.3	59.1
Birmingham- Hoover MSA	503,430	500,025	395,925	376,897	340,968	26.3	5.0	10.5

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-year Estimates.

Recent residential construction activities in the City of Birmingham and the Birmingham-Hoover MSA are summarized in the following tables.

NEW PRIVATELY-OWNED RESIDENTIAL BUILDING PERMITS CITY OF BIRMINGHAM

<u>Year</u>	<u>Single-Family</u>		<u>Multi-Family (Two or more families)</u>		
	<u>Permits Issued</u>	<u>Construction Cost</u>	<u>Permits Issued</u>	<u>Units</u>	<u>Construction Cost</u>
2003	152	\$23,868,552	7	238	\$18,180,256
2004	144	23,581,209	53	828	57,407,006
2005	220	39,153,094	22	445	34,579,125
2006	303	54,557,389	56	980	71,538,630
2007	232	44,084,170	11	234	18,883,836
2008	132	24,723,795	18	312	23,204,909
2009	75	13,541,203	21	62	6,108,792
2010	110	18,861,792	7	347	35,716,750
2011	121	21,706,831	2	105	7,151,833
2012	88	17,220,866	31	857	64,275,126
2013	80	19,852,216	26	481	48,288,233
2014	76	17,203,631	23	929	87,808,445
2015*	36	10,457,536	7	742	71,120,558

Source: U.S. Census Bureau.

*YTD December, 2015

**NEW PRIVATELY-OWNED RESIDENTIAL BUILDING PERMITS
BIRMINGHAM-HOOVER MSA**

<u>Year</u>	<u>Single-Family</u>		<u>Multi-Family</u>	
	<u>Permits Issued</u>	<u>Construction Cost (000s)</u>	<u>Permits Issued</u>	<u>Construction Cost (000s)</u>
2003	5,970	\$912,511	703	\$43,501
2004	6,358	1,029,479	1,442	92,483
2005	6,873	1,148,340	795	54,965
2006	6,441	1,072,569	1,376	118,634
2007	4,930	865,318	503	39,964
2008	2,325	415,270	1,034	110,242
2009	1,683	282,759	131	10,473
2010	1,563	275,049	366	37,360
2011	1,795	346,975	589	41,806
2012	1,847	410,574	1,514	97,756
2013	2,016	486,654	793	72,138
2014	2,318	520,115	1,064	94,882
2015*	2,468	592,506	1,215	116,211

Source: U.S. Census Bureau.

*YTD December, 2015

Bank Deposits

The following table shows deposits in FDIC-insured institutions between 2010 and 2015 in the State of Alabama, Jefferson County, Shelby County and the Birmingham-Hoover MSA.

**DEPOSITS IN FDIC-INSURED COMMERCIAL BANKS
(As of July 30 of each year, in thousands)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Alabama	\$79,222,000	\$83,127,000	\$83,596,000	\$85,040,000	\$87,912,000	\$90,577,000
Jefferson County	21,942,000	23,693,000	23,666,000	24,461,000	27,466,000	28,538,000
Shelby County	2,387,000	2,517,000	2,672,000	2,855,000	2,643,000	2,744,000
Birmingham-Hoover MSA	26,937,000	28,975,000	29,070,000	30,039,000	32,798,000	33,956,000

Source: Federal Deposit Insurance Corporation.

Airport Traffic

The following table provides current and historical information regarding Birmingham Shuttlesworth International Airport traffic:

**BIRMINGHAM INTERNATIONAL AIRPORT
PASSENGERS ARRIVING & DEPARTING**

<u>Year</u>	<u>Number of Passengers</u>
1998	2,853,333
1999	3,046,220
2000	3,067,777
2001	3,012,729
2002	2,810,990
2003	2,672,637
2004	2,890,091
2005	3,138,429
2006	3,052,058
2007	3,222,869
2008	3,110,767
2009	2,934,317
2010	2,950,429
2011	2,902,086
2012	2,864,058
2013	2,686,393
2014	2,624,665
2015	2,695,399

Source: Birmingham-Shuttlesworth International Airport Authority.

APPENDIX B

**Financial Statements of the City for
fiscal year ending September 30, 2015**

APPENDIX C

Summary of Series 2016 Warrant Ordinance

SUMMARY OF SERIES 2016 WARRANT ORDINANCE

The following, together with information contained elsewhere in this Official Statement, is a brief description of the Series 2016 Warrant Ordinance. Such description does not purport to be comprehensive or definitive; all references herein to the Series 2016 Warrant Ordinance are qualified in their entirety by reference to such document, copies of which are available at the office of the City Clerk, and all references to the Warrants are qualified in their entirety by reference to the definitive forms thereof and the information with respect thereto in the Series 2016 Warrant Ordinance.

Officers and Members of the City Exempt from Individual Liability

The Series 2016 Warrant Ordinance provides that no recourse under or upon any covenant or agreement of the ordinance or of any Warrant, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future officer, employee, or member of the governing body of the City, or of any successor of any thereof, and all such liability of every name and nature, either at common law or in equity or by constitution or statute, and any and all such rights and claims against every such officer, employee, or member of the governing body of the City as such, are expressly waived and released as a condition of, and as a consideration for, the issuance of the Warrants.

The Warrant Fund

For the purpose of paying the Warrants, the Series 2016 Warrant Ordinance establishes a special fund which shall be designated the "Warrant Fund". The Paying Agent shall be the depository, custodian and disbursing agent for the Warrant Fund. The money in the Warrant Fund shall be used only to pay principal of, premium (if any) and interest on the Warrants as the same shall become due and payable.

The Finance Director of the City is authorized and directed to deposit in the Warrant Fund the following amounts on the following dates:

- (1) In each Fiscal Year, sufficient funds to pay all principal of and interest on the Warrants maturing and coming due during such Fiscal Year or due in any prior Fiscal Year and remaining unpaid;
- (2) All other money required to be deposited in the Warrant Fund pursuant to this Ordinance.

The Paying Agent will deposit in the Warrant Fund all money received by the Paying Agent when accompanied by directions that such money is to be deposited in the Warrant Fund.

Investment of and Security For Warrant Fund

Money in the Warrant Fund shall be invested by the Paying Agent at the written direction of the City in Qualified Investments. Investments shall be made so that a sufficient principal amount shall mature or be redeemable at the option of the holder on or prior to the date or dates the City and the Paying Agent anticipate that money from the fund invested will be required hereunder. The Paying Agent shall not be liable or responsible for any loss resulting from any such investment if made in compliance with the Series 2016 Warrant Ordinance.

The moneys at any time on deposit in the Warrant Fund shall be and at all times remain public funds impressed with a trust for the purpose for which each of said the Warrant Fund was created. The Paying Agent

shall at all times keep the moneys on deposit in the Warrant Fund continuously secured for the benefit of the City and the registered owners of the Warrants, either (1) by holding on deposit as collateral security Federal Securities or other marketable securities eligible as security for the deposit of public trust funds under regulations of the Comptroller of the Currency, United States Treasury, having a market value at any date of calculation (exclusive of accrued interest) not less than the amount of moneys on deposit in the fund being secured, or (2) if the furnishing of security in the manner provided in (1) above is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the then applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public trust funds; provided, however, that it shall not be necessary for the Paying Agent to secure any portion of the moneys on deposit in any such fund that may be insured by the Federal Deposit Insurance Corporation or by any agency of the United States of America that may succeed to its functions, or to secure any portion of the moneys that are invested as herein provided.

Resignation and Removal of Paying Agent; Appointment of Successor Paying Agent

The Paying Agent may resign and be discharged of all duties imposed upon it as Paying Agent, Federally Tax-Exempt Warrant Registrar and transfer agent by giving written notice of such resignation by certified or registered mail to the City at least 30 days prior to the date when such resignation shall take effect.

If at any time the Paying Agent shall resign or be or become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Paying Agent or of its property shall be appointed or any public officer shall take charge or control of the Paying Agent or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the City may remove the Paying Agent and the City shall promptly appoint a successor Paying Agent.

Qualification of and Acceptance of Appointment by Successor Paying Agent

Any successor Paying Agent shall be a bank or trust company authorized to act as Paying Agent and Federally Tax-Exempt Warrant Registrar and having, at the time of its acceptance of such appointment, combined capital and surplus of at least \$50,000,000.

Every successor Paying Agent shall execute, acknowledge and deliver to the City and to the retiring Paying Agent an instrument accepting such appointment and thereupon the resignation or removal of the retiring Paying Agent shall become effective and such successor Paying Agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, and duties of the retiring Paying Agent.

Merger or Consolidation of Paying Agent

Any corporation into which the Paying Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Paying Agent shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Paying Agent, shall be the successor of the Paying Agent, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Warrants shall have been authenticated, but not delivered, by the Paying Agent then in office, any successor by merger or consolidation to such authenticating Paying Agent may adopt such authentication and deliver the Warrants so authenticated with the same effect as if such successor Paying Agent had itself authenticated such Warrants.

Payment of Warrants

The Series 2016 Warrant Ordinance provides that Warrants for the payment or redemption of which moneys shall have been set aside and held by the Paying Agent on the maturity or redemption date thereof shall be deemed to have been paid and no longer Outstanding under the Series 2016 Warrant Ordinance.

Warrants shall, prior to the maturity or redemption date thereof, be deemed to have been paid and no longer Outstanding under the Series 2016 Warrant Ordinance if (1) in case any of said Warrants are to be redeemed on any date prior to their maturity, the City shall have given to the Paying Agent in form satisfactory to it irrevocable instructions to give and publish notice of redemption thereof on such date, (2) there shall have been deposited with the Paying Agent either moneys in an amount which shall be sufficient, or Government Obligations the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Paying Agent at the same time and available for such purpose, shall be sufficient, to pay when due the principal of, premium (if any) and interest due and to become due on said Warrants on and prior to the redemption date or maturity date thereof, as the case may be, and (3) in the event said Warrants are not by their terms subject to redemption or payment within the next succeeding 90 days, the City shall have given the Paying Agent in form satisfactory to it irrevocable instructions to mail a notice to the Holders thereof that the deposit required by clause (2) of this subsection has been made with the Paying Agent and that said Warrants are deemed to have been paid and no longer Outstanding under the Series 2016 Warrant Ordinance and stating such maturity or redemption date or dates upon which moneys are to be available for the payment of the principal of and premium (if any) on said Warrants.

Any amounts remaining in the Warrant Fund after payment in full of the Warrants (or provision having been made therefor), and payment of the fees, charges and expenses of the Paying Agent and all other amounts required to be paid hereunder, shall be paid to the City.

Provision of Ordinance a Contract; Remedies

The terms, provisions and conditions set forth in the Series 2016 Warrant Ordinance constitute a contract between the City and the registered owners of the Warrants and shall remain in effect until the principal of and interest on the Warrants shall have been paid in full as provided in the Series 2016 Warrant Ordinance.

APPENDIX D

Book-Entry Only System

BOOK-ENTRY ONLY SYSTEM

The information in this Appendix D concerning the Securities Depository and the Securities Depository's book-entry system has been obtained from sources the City and the Underwriter believe to be reliable, but neither the City nor the Underwriter take responsibility for the accuracy or completeness thereof.

There can be no assurance that the Securities Depository will abide by its procedures or that such procedures will not be changed from time to time.

Capitalized terms used in this Appendix D without definition shall have the respective meanings assigned thereto in this Official Statement.

The Securities Depository will act as securities depository for the Warrants. The Warrants will be issued as fully-registered securities registered in the name of Cede & Co., the Securities Depository's partnership nominee ("Cede") or such other name as may be requested by an authorized representative of the Securities Depository. One fully-registered Warrant certificate will be issued for each maturity of the Warrants, in the aggregate principal amount of such maturity, and will be deposited with the Securities Depository.

The Securities Depository, 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, as amended. The Securities Depository 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 the Securities Depository's participants (the "Direct Participants") deposit with the Securities Depository. The Securities Depository 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. The Securities Depository is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for the Securities Depository, the 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 book-entry system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Securities Depository has a Standard & Poor's rating of AA+. The Securities Depository Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about the Securities Depository can be found at www.dtcc.com.

Purchases of Warrants under the book-entry system must be made by or through Direct Participants, which will receive a credit for the Warrants on the Securities Depository'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 the Securities Depository of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Warrants are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Warrants, except in the event that use of the book-entry system for the Warrants is discontinued.

To facilitate subsequent transfers, all Warrants deposited by Direct Participants with the Securities Depository are registered in the name of the Securities Depository's partnership nominee, Cede, or such other name as may be requested by an authorized representative of the Securities Depository. The deposit of Warrants with the Securities Depository and their registration in the name of Cede or such other the Securities Depository nominee does not effect any change in beneficial ownership. The Securities Depository has no knowledge of the actual Beneficial Owners of the Warrants; the Securities Depository'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 the Securities Depository 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, tenders, defaults, and proposed amendments to the security 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 the notices be provided directly to them.

Redemption notices shall be sent to the Securities Depository. If less than all of the Warrants of a maturity are being redeemed, the Securities Depository's practice is to determine by lot the amount of the interest of each Direct Participant in such Warrants to be redeemed.

Neither the Securities Depository nor Cede (nor any other the Securities Depository nominee) will consent or vote with respect to Warrants unless authorized by a Direct Participant in accordance with the Securities Depository's MMI Procedures. Under its usual procedures, the Securities Depository mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede'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, redemption price (as appropriate) and interest payments on the Warrants will be made by the Paying Agent to Cede or such other nominee as may be requested by an authorized representative of the Securities Depository. The Securities Depository's practice is to credit Direct Participants' accounts, upon the Securities Depository's receipt of funds and corresponding detail information from the City or Paying Agent, on a payment date in accordance with their respective holdings shown on the Securities Depository'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 the Securities Depository, the Paying Agent, the City or the Underwriter, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price (as appropriate) and interest to Cede (or such other nominee as may be requested by an authorized representative of the Securities Depository) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of the Securities Depository, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

The Securities Depository may discontinue providing its services as depository with respect to the Warrants at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Warrant certificates are required to be printed and delivered.

The City may decide to discontinue use of the Book Entry System of transfers through the Securities Depository (or a successor). In that event, Warrant certificates will be printed and delivered to the Securities Depository (or a successor).

APPENDIX E

Continuing Disclosure Agreement

CONTINUING DISCLOSURE AGREEMENT

July 14, 2016

THIS CONTINUING DISCLOSURE AGREEMENT is entered into by the City of Vestavia Hills, Alabama (the "Obligated Person"), for the benefit of the holders of the following warrants of the Obligated Person (the "Warrants").

**GENERAL OBLIGATION WARRANTS
SERIES 2016**

RECITALS

A. The Warrants are being issued pursuant to an ordinance of the Obligated Person duly adopted on July 11, 2016 (the "Series 2016 Warrant Ordinance").

B. The Warrants are purchased by The Frazer Lanier Company and the Obligated Person has delivered thereto an Official Statement dated June 29, 2016 (the "Official Statement") for distribution to prospective purchasers of the Warrants.

C. The Warrants are subject to the provisions of Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule"). This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule.

D. Capitalized terms not otherwise defined in this Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with definitions in the Rule, in the Official Statement.

E. There is no Obligated Person with respect to the Warrants other than the Obligated Person.

NOW, THEREFORE, for and in consideration of the premises, the Obligated Person hereby covenants, agrees and binds itself as follows:

1. **Definitions.**

The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires:

“EMMA” means the MSRB’s Electronic Municipal Market Access system, as provided by the Rule.

“MSRB” means the Municipal Securities Rulemaking Board.

“Repository” means the MSRB and its EMMA system.

2. **Financial Information.**

(a) The Obligated Person will provide to the Repository the financial information and operating data with respect to the Obligated Person of the type contained in Appendix A of the Official Statement under the heading “CITY FINANCIAL SYSTEM” (collectively referred to as “Annual Financial Information”), which Annual Financial Information shall include the audited financial statements of the Obligated Person, prepared in accordance with accounting principles described in the audited financial statements included in the Official Statement as Appendix B, for each fiscal year of the Obligated Person.

(b) Such Annual Financial Information will be provided to the Repository within 210 days after the end of each fiscal year of the Obligated Entity, commencing with the fiscal year ending September 30, 2016.

3. **Event Notices.**

(a) The Obligated Person will provide to the Repository, in a timely manner not in excess of ten business days after the occurrence of the event, notice of any of the following events with respect to the Warrants:

- (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 Warrants, or other material events affecting the tax-exempt status of the security;
- (7) Modifications to rights of security holders, if material;

- (8) Warrant calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Warrants, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the Obligated Person; provided, for the purposes of the event identified in Section 3(a)(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the 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 the 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; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The Obligated Person will provide to the Repository, in a timely manner not in excess of 10 business days after the occurrence of the event, notice of a failure of the Obligated Person to provide required Annual Financial Information, on or before the date specified in this Agreement.

(c) The Obligated Person may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if, in the judgment of such Obligated Person, such other event is material with respect to the Warrants, but the Obligated Person does not undertake to commit to provide any such notice of the occurrence of any material event except those listed above.

4. Limitation of Remedies Hereunder.

The Obligated Person shall never be subject to money damages in any sum or amount, whether compensatory, punitive or otherwise, for its failure to comply with its obligations contained herein. The only remedy available to the holders of the Warrants for breach by the Obligated Person of its obligations hereunder shall be the remedy of specific performance or mandamus against the appropriate officials of the Obligated Person to obtain performance of the Obligated Person's obligations hereunder. Any action for such specific performance or mandamus may be filed only in Jefferson County, State of Alabama. Any

failure by the Obligated Person to comply with the provisions of this Agreement shall not be an event of default with respect to the Warrants under the Series 2016 Warrant Ordinance.

5. Responsibility for Compliance.

(a) No person other than the Obligated Person shall have any liability or responsibility for compliance by the Obligated Person with its obligations under this Agreement. The Paying Agent has not undertaken any responsibility with respect to any reports, notices or disclosures required by this Agreement or the Rule.

(b) The Obligated Person will pay all costs incurred in connection with the performance of its obligations under this Agreement, including without limitation the fees and expenses of any consultants, advisors, accountants, legal counsel or other persons that may be retained by the Obligated Person to assist in the performance of the Obligated Person's obligations.

6. Additional Obligated Persons.

If any other person becomes an "obligated person" within the meaning of the Rule while the Warrants are Outstanding, the Obligated Person shall cause such person to execute and deliver an undertaking pursuant to the Rule substantially in the form of this Agreement.

7. Modification and Termination.

(a) The provisions of this Agreement may be modified at any time by the Obligated Person as long as such modification is done in a manner consistent with the Rule. Any such modification shall be in writing and shall be accompanied by an Opinion of Counsel stating in effect that such modification is permitted by the Rule. A copy of any such modification shall be delivered to the Paying Agent.

(b) The Obligated Person (or any additional Obligated Person) reserves the right to terminate its obligation hereunder if and when (i) the Warrants are retired, or an escrow for the retirement of all Warrants is established pursuant to the defeasance provisions of the Series 2016 Warrant Ordinance, or (ii) the Obligated Person (or such additional Obligated Person) ceases to be an Obligated Person with respect to the Warrants within the meaning of the Rule.

8. Dissemination Agent.

The Obligated Person may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Agreement, and may discharge any such dissemination agent, with or without appointing a successor dissemination agent. Any such dissemination agent shall be designated as such in writing by the Obligated Person, and any such dissemination agent shall file with the Obligated Person a written acceptance of such designation.

9. Beneficiaries.

This Agreement is being entered into pursuant to the continuing disclosure requirements of the Rule in order to assist participating underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Obligated Person, the Dissemination Agent, if any, and the beneficial owners of the Warrants, and shall create no rights in any other person or Person.

10. **Recordkeeping.**

The Obligated Person shall maintain records of all disclosure filings made pursuant to this Agreement, including the content of such disclosure, the names of the entities with whom such disclosure was filed, and the date of filing such disclosure.

11. **MSRB; EMMA.**

Documents submitted to the MSRB, including EMMA, pursuant to this Agreement shall be in electronic format and accompanied by identifying information as prescribed by the MSRB, in accordance with the Rule.

12. **Governing Law.**

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

IN WITNESS WHEREOF, this Agreement has been duly authorized by the Obligated Person and has been executed by and on behalf of the Obligated Person by its duly authorized officer, all as of the date and year first above written.

CITY OF VESTAVIA HILLS, ALABAMA

By: _____

Name: _____

Title: _____

APPENDIX F

Form of Opinion of Bond Counsel

[Date of Delivery]

City of Vestavia Hills, Alabama

The Frazer Lanier Company, Incorporated

Owners of the Warrants referenced herein

Re: \$11,810,000 General Obligation Warrants, Series 2016, of even date, of the City of Vestavia Hills, Alabama

We have acted as bond counsel to the City of Vestavia Hills, Alabama (the "City") for the purpose of rendering the within opinions in connection with the issuance of the above-referenced warrants (the "Warrants") by the City pursuant to an ordinance duly adopted by the governing body of the City (the "Series 2016 Warrant Ordinance").

Capitalized terms used herein without definition shall have the respective meanings ascribed thereto in the Series 2016 Warrant Ordinance.

In rendering the within opinions we have (a) examined the executed Warrants, the Series 2016 Warrant Ordinance, the Tax Certificate and Agreement of even date (the "Tax Agreement") by the City with respect to the Warrants, and such proceedings, certificates, documents and proofs, and made such studies of matters of law, as we have deemed necessary and (b) relied, without independent investigation or inquiry, upon representations made (1) in the Tax Agreement and in certificates executed by public officials and by officers of the City, (2) by the City in the Series 2016 Warrant Ordinance, and (c) assumed, with your consent and without independent investigation or inquiry (1) continuing compliance by the City with the covenants in the Tax Agreement respecting federal tax matters, and (2) that the interest on the Refunded Warrants is excludable from the gross income of the holders thereof under Section 103 of the Code for purposes of federal income taxation.

The within opinions are based upon and limited to the laws of the State of Alabama and the federal laws of the United States of America.

Based upon the foregoing and subject to the below qualifications, we are of the opinion, as of the date hereof and under existing law, that:

- (1) The Warrants are valid and binding orders upon the Finance Director of the City, or any officer, person or entity which may succeed to the duties thereof, for the payment of the principal thereof and interest thereon and evidence and order paid the valid general obligation indebtedness of the City.

(2) Interest on the Warrants (including any original issue discount properly allocable to an owner thereof) is presently excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), regulations and rulings of the Commissioner of Internal Revenue issued or pertinent thereunder, and court decisions heretofore rendered, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; provided, however, for the purpose of computing the alternative minimum tax imposed on certain corporations (as defined for federal income tax purposes), interest on the Warrants is taken into account in determining adjusted current earnings. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Warrants in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Warrants to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Warrants.

(3) Interest on the Warrants is exempt from present personal and corporate net income taxation in the State of Alabama.

(4) The Warrants are described in Section 3(a)(2) of the Securities Act of 1933, as amended, and therefore no registration is required with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in connection with the offering and sale of the Warrants.

The rights of the registered owners of the Warrants and the enforceability of the Warrants and the Series 2016 Warrant Ordinance are subject to and may be limited by (a) the exercise of judicial discretion (in a proceeding at law or in equity), (b) the valid exercise of the constitutional powers of the United States of America and the sovereign and police powers of the State of Alabama, and (c) bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

We have not been engaged, and therefore have not undertaken, to review or determine, and consequently express no opinion as to (a) the tax treatment of the owner of any of the Warrants, as a result of the receipt of the interest on the Warrants, under (1) any provision or section of the Internal Revenue Code of 1986, as amended, other than the aforesaid Section 103 thereof, or (2) the laws of any state other than the State of Alabama, or (b) the title of the City to any property, or (c) the adequacy of the security for, or the sources of payment of, the Warrants, or (d) the accuracy, adequacy, or completeness of any offering document, official statement, or other information pertaining to the offering for sale of the Warrants.

By rendering the within opinions we give no assurances that federal or state legislation will not be introduced and enacted which could adversely affect (a) the exclusion of interest on the Warrants from gross income for federal income taxation or (b) the exclusion of interest on the Warrants from state income taxation or (c) the federal or state tax treatment of certain owners of the Warrants as a result of the receipt of such interest.

The opinions herein are (a) limited to matters stated herein and no opinion may be inferred beyond the matters expressly stated, (b) given as of the date hereof and with the express understanding that we have no obligation to advise you or any of your successors or assigns of any changes in law or fact subsequent to the date hereof, even though such changes may affect the opinions expressed herein, (c) rendered to you solely in connection with the subject transactions and may not be relied upon by you or by any other person for any other purpose, and (d) rendered as an expression of our professional judgment as to the legal issues explicitly addressed herein, by the rendering of which we do not become an insurer or guarantor of that expression of professional judgment or of the outcome of any legal dispute that may arise with respect to any of the matters herein contained.

Faithfully yours,

ORDINANCE NUMBER 2674

AN ORDINANCE TO FURTHER AMEND THE ZONING ORDINANCE AND THE ZONING MAP OF THE CITY OF VESTAVIA HILLS, ALABAMA, ADOPTED SEPTEMBER 16, 1985, AND AS LAST AMENDED SO AS TO CHANGE THE CLASS OF DISTRICT ZONING OF PROPERTY FROM UNZONED TO VESTAVIA HILLS B-2

BE IT ORDAINED by the City Council of the City of Vestavia Hills, Alabama, as follows: That the Zoning Ordinance and Zoning Map of the City of Vestavia Hills, Alabama, adopted September 16, 1985, and as last amended so as to change the class of district zoning of the following described property from Unzoned to Vestavia Hills B-2 (business district):

1280 Montgomery Highway
City of Vestavia Hills, Owner(s)

More particularly described as follows:

A tract of land situated in the north half of section 31, township 18 south, range 2 west, situated in jefferson county, alabama, more particularly described as follows:

Commence at the northwest corner of the ne 1/4 of the nw 1/4 of said section 31, and run thence eastwardly along the north line thereof, for a distance of 16.20 feet, to a point on the easterly line of the old montgomery highway, thence turn an angle of 124°53'10" to the right and run southwardly along the easterly line of said right of way, for a distance of 443.74 feet, thence continue southwardly along the easterly line of said right of way and along the same course last described for a distance of 108.73 feet to the point of a curve turning to the left, said curve having a radius of 137.70 feet and subtending a central angle of 55°19'40", run thence southwardly and along the arc of said curve and along the easterly line of said right of way for a distance of 132.97 feet to the point of compound curvature with a curve having a radius of 1254.43 feet and subtending a central angle of 12°27'30", thence in a southeasterly direction along the arc of said curve and along the northerly line of the right of way of the old montgomery highway, for a distance of 272.76 feet to the end of said curve, thence continue southeastwardly along the northerly line of said right of way in a straight line tangent to said curve for a distance of 22.18 feet to the point of curve to the left, said curve having a radius of 375 feet, subtending a central angle of 32°7'30", run thence eastwardly along the arc of said curve and along the northerly line of said right of way, for a distance of 210.26 feet to the end of said curve, thence continue eastwardly along a tangent to said curve and along said right of way for a

distance of 23.13 feet to the point of a curve turning to the left, said curve having a radius of 1482.65 feet and subtending a central angle of 5°19', thence along the arc of said curve and along the northerly line of the old montgomery highway, for a distance of 137.58 feet to the end of said curve, thence continue eastwardly along a tangent to said curve and along the northerly line of said right of way, for a distance of 108.45 feet to the point to the point of beginning of the tract of land herein described; thence continue along the last described course and said right of way line for 25.55 feet to the point of beginning of a curve turning to the right, said curve having a radius of 516.82 feet and subtending a central angle of 10°19', thence continue along the northerly line of said right of way and along the arc of said curve for a distance of 93.06 feet to the end of said curve, thence continue southeastwardly along the tangent to said curve and along the northerly line of said right of way for a distance of 64.68 feet to the point of curve of a curve turning to the right said curve having a radius of 269.48 feet and subtending a central angle of 23°7', thence continue southeastwardly along the arc of said curve and along the northerly line of said right of way, for a distance of 108.72 feet to the end of said curve; thence continue southeastwardly along the tangent to said curve and along the northerly line of said right of way for a distance of 19.23 feet, to the point of intersection with the westerly line of the right of way of u.s. highway no. 31, as presently laid out and constructed, said point being on a curve having a radius of 3154.18 feet, subtending a central angle of 07°13'00" and whose tangent forms an angle of 113°10'50" to the left with the last described course when extended eastwardly through said point of intersection, run thence northwardly along the arc of said curve and along the westerly line of said right of way, for a distance of 397.28 feet, thence at an angle of 77°56'29" to the left from the tangent to said curve at said point and run northwesterly for a distance of 183.23 feet, thence turn 76°58'30" left and run southwesterly for 354.39 feet; thence turn 28°07'08" left and run southwesterly for 58.74 feet to a point on the northerly right of way line of old montgomery highway and the point of beginning of the property herein described. Said tract containing 99054 sf or 2.27 acres more or less.

APPROVED and ADOPTED this the 25th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

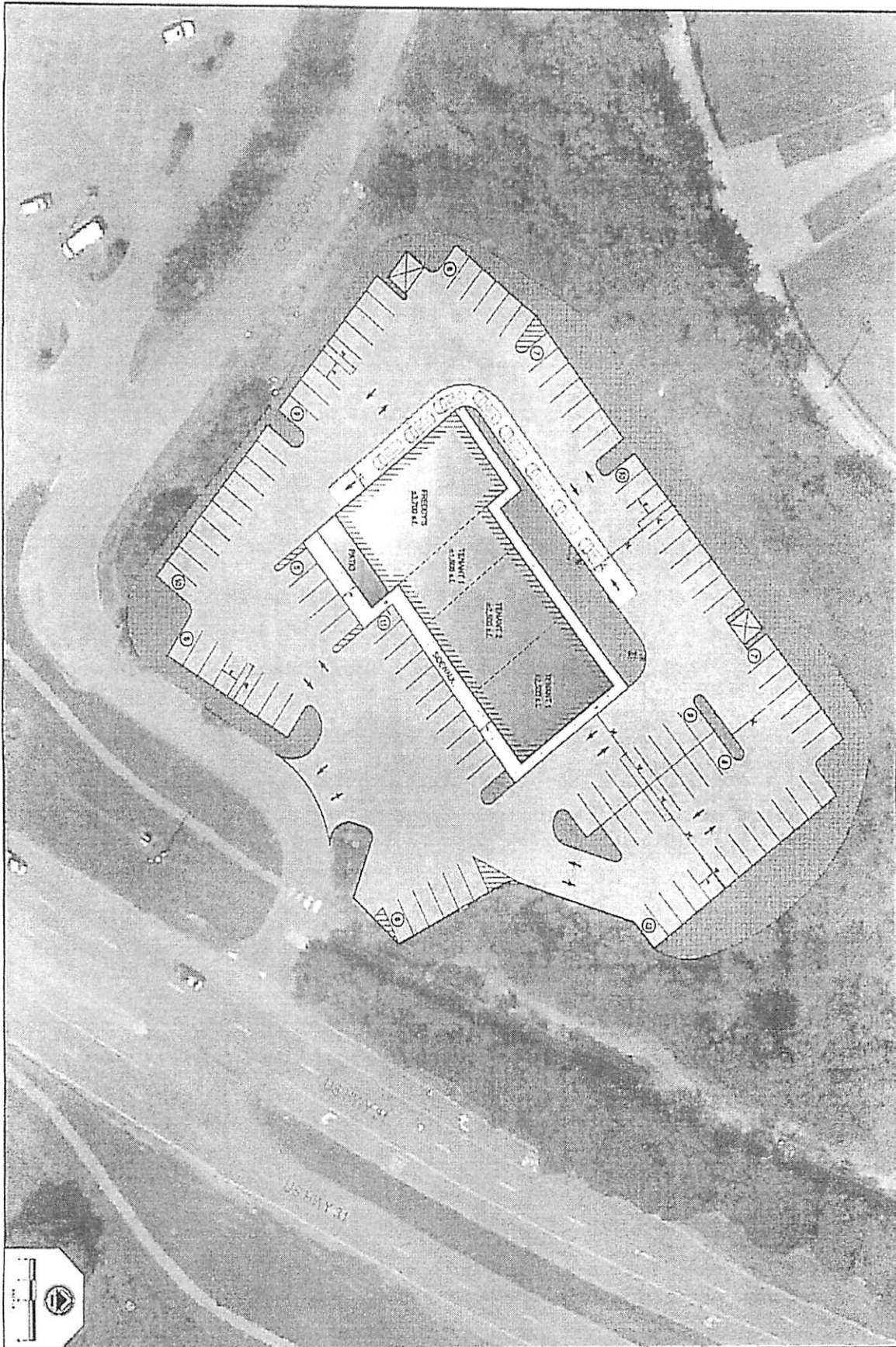
Rebecca Leavings
City Clerk



CERTIFICATION:

I, Rebecca Leavings, as City Clerk of the City of Vestavia Hills, Alabama, hereby certify that the above and foregoing copy of 1 (one) Ordinance # 2674 is a true and correct copy of such Ordinance that was duly adopted by the City Council of the City of Vestavia Hills on the 25th day of July, 2016 as same appears in the official records of said City.

Posted at Vestavia Hills City Hall, Vestavia Hills Library in the Forest, New Merkle House and Vestavia Hills Recreational Center this the _____ day of _____, 2016.

Rebecca Leavings
City Clerk



<p>DATE: 1/1/2011</p> <p>BY: [Signature]</p> <p>FOR: [Signature]</p>	<p>PLAN</p> <p>DATE: 1/1/2011</p> <p>BY: [Signature]</p> <p>FOR: [Signature]</p>	<p>CENTRAL</p> <p>LABOR</p>	<p>FREDDY'S FROZEN CUSTARD & STEAKBURGERS</p> <p>BAMA 1 CUSTARD</p> <p>VESTAVIA HILLS, AL</p> 	<p>NO. 12-24-2010</p>	<p>NO. 12-24-2010</p>	<p>NO. 12-24-2010</p>	<p>NO. 12-24-2010</p>	<p>NO. 12-24-2010</p>	<p>NO. 12-24-2010</p>	<p>NO. 12-24-2010</p>	 <p>LEBYD</p> <p>CONSULTANTS</p> <p>ARCHITECTS</p> <p>PLANNERS</p> <p>ENGINEERS</p> <p>LANDSCAPE ARCHITECTS</p> <p>INTERIOR DESIGNERS</p> <p>ARTISTS</p> <p>SCULPTORS</p> <p>PAINTERS</p> <p>WALLPAPER HANGERS</p> <p>CEILING INSTALLERS</p> <p>FLOORING INSTALLERS</p> <p>MECHANICAL CONTRACTORS</p> <p>ELECTRICAL CONTRACTORS</p> <p>PLUMBING CONTRACTORS</p> <p>ROOFING CONTRACTORS</p> <p>CONCRETE CONTRACTORS</p> <p>PAVING CONTRACTORS</p> <p>LANDSCAPING CONTRACTORS</p> <p>IRRIIGATION CONTRACTORS</p> <p>WATER SYSTEMS CONTRACTORS</p> <p>SEWER SYSTEMS CONTRACTORS</p> <p>STORM DRAINAGE CONTRACTORS</p> <p>RETAINING WALL CONTRACTORS</p> <p>FOUNDATION CONTRACTORS</p> <p>STRUCTURAL CONTRACTORS</p> <p>GENERAL CONTRACTORS</p> <p>CONSTRUCTION MANAGERS</p> <p>OPERATION CONTRACTORS</p> <p>MAINTENANCE CONTRACTORS</p> <p>REPAIR CONTRACTORS</p> <p>RENOVATION CONTRACTORS</p> <p>RESTORATION CONTRACTORS</p> <p>DEMOLITION CONTRACTORS</p> <p>ASBESTOS ABATEMENT CONTRACTORS</p> <p>LEAD ABATEMENT CONTRACTORS</p> <p>MOLD ABATEMENT CONTRACTORS</p> <p>PAINT CONTRACTORS</p> <p>WALLPAPER CONTRACTORS</p> <p>FLOORING CONTRACTORS</p> <p>CEILING CONTRACTORS</p> <p>MECHANICAL CONTRACTORS</p> <p>ELECTRICAL CONTRACTORS</p> <p>PLUMBING CONTRACTORS</p> <p>ROOFING CONTRACTORS</p> <p>CONCRETE CONTRACTORS</p> <p>PAVING CONTRACTORS</p> <p>LANDSCAPING CONTRACTORS</p> <p>IRRIIGATION CONTRACTORS</p> <p>WATER SYSTEMS CONTRACTORS</p> <p>SEWER SYSTEMS CONTRACTORS</p> <p>STORM DRAINAGE CONTRACTORS</p> <p>RETAINING WALL CONTRACTORS</p> <p>FOUNDATION CONTRACTORS</p> <p>STRUCTURAL CONTRACTORS</p> <p>GENERAL CONTRACTORS</p> <p>CONSTRUCTION MANAGERS</p> <p>OPERATION CONTRACTORS</p> <p>MAINTENANCE CONTRACTORS</p> <p>REPAIR CONTRACTORS</p> <p>RENOVATION CONTRACTORS</p> <p>RESTORATION CONTRACTORS</p> <p>DEMOLITION CONTRACTORS</p> <p>ASBESTOS ABATEMENT CONTRACTORS</p> <p>LEAD ABATEMENT CONTRACTORS</p> <p>MOLD ABATEMENT CONTRACTORS</p>
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CITY OF VESTAVIA HILLS
SYNOPSIS AND STAFF RECOMMENDATION CONCERNING
APPLICATION BEFORE THE PLANNING AND ZONING COMMISSION

Date: **JUNE 9, 2016**

- **CASE: P-0616-27**
- **REQUESTED ACTION:** from Unzoned to Vestavia Hills B-2
- **ADDRESS/LOCATION:** 1280 Montgomery Hwy.
- **APPLICANT/OWNER:** City of Vestavia Hills
- **GENERAL DISCUSSION:** City is rezoning property as part of a purchase and sale agreement for a commercial center anchored by a Freddy's Frozen Custard and Steakburgers. The parcel the City is seeking to sell currently hosts the Public Works Facility, adjacent to Wald Park. The Public Works Facility would be relocated. Freddy's would have a drive-thru. Building would be over 10,000 sq. ft. and have 113 parking spaces, exceeding the amount required. Access would be granted from Waldrige Rd. A site plan and color rendering is attached.
- **VESTAVIA HILLS COMPREHENSIVE PLAN:** This request is on the border of Recreation/Open Space and Village Center. Adjacent zonings include B-2 to the south and Institutional across the street. Wald Park remains unzoned.
- **STAFF REVIEW AND RECOMMENDATION:**
 1. **City Planner Review:** I have looked at all of the relevant zoning / subdivision requirements related to this proposal, including application, notification, setbacks, area of lot development, etc. Notification has been sent to property owners pursuant to Alabama law. I have reviewed this request and find it does meet the minimum requirements of the proposed zoning.

City Planner Recommendation: No recommendation
 2. **City Engineer Review:** I have reviewed the application and I have no issues with this request.
 3. **City Fire Marshal Review:** I have reviewed the application and I have no issues with this request.
 4. **Building Safety Review:** I have reviewed the application and I have no issues with this request.

MOTION Mr. Gilchrist made a motion to recommend approval of Rezoning for 1280 Montgomery Hwy. from Unzoned to Vestavia Hills B-2 for the Purpose of Commercial Development. Second was by Mr. Burrell. Motion was carried on a roll call; vote as follows:

Mr. Goodwin – yes

Mr. Sharp – yes

Mr. Visintainer – yes

Mr. House – yes

Motion carried.

Mr. Burrell – yes

Mr. Wolfe – yes

Mr. Gilchrist – yes

Mr. Larson – yes

MO-May 20th
For June 9th
PTZ

P0616-27/03-31-2-2-1
1280 Montgomery Hwy.
Rezoning from Unzoned to VH B-2
BAMA 3-RE, LLC
Unzoned

RESOLUTION NUMBER 4826

A RESOLUTION INITIATING THE REZONING OF 1280 MONTGOMERY HIGHWAY FROM UNZONED TO VESTAVIA HILLS B-2 (BUSINESS DISTRICT)

WHEREAS, on April 12, 2016, the Mayor and City Manager executed and delivered an agreement with BAMA 3-RE, LLC to sell a tract of land of approximately 2.34 acres, more or less, located at 1280 Montgomery Highway (hereinafter referred to as "Property") a copy of which is marked as "Exhibit B" attached to and incorporated into this Resolution Number 4826 as though written fully therein; and

WHEREAS, a condition of the agreement was that the City would file a petition requesting the rezoning of said property from its current unknown zoning classification to VH B-2 with restrictions for the construction of a small business district; and

WHEREAS, the Mayor and City Council feel it is in the best public interest to initiate the request to rezone the property located at 1280 Montgomery Highway from the current unknown zoning classification to Vestavia Hills B-2 (business district) substantially as depicted in the site drawing marked as "Exhibit A" attached to and incorporated into this Resolution Number 4826; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VESTAVIA HILLS, ALABAMA, AS FOLLOWS:

1. The City Clerk is hereby authorized to file this Resolution Number 4826 to rezone the Property from Unknown to Vestavia Hills B-2 (business district) with restrictions; and
2. This Resolution Number 4826 shall become effective immediately upon adoption and approval.

ADOPTED and APPROVED this the 25th day of April, 2016.


Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

Rebecca Leavings
City Clerk

28 00 31 2 002 001.000
CITY OF VESTAVIA HILLS

FOUND IRON
(CAPPED 'WIEGAND')

TOP 688.50'
IN 680.28'
OUT 679.86'

FOUND IRON
(CAPPED 'WIEGAND')

TOP 679.53'
COULD NOT
OPEN

FL 673.70'
MERRY HWY

FOUND IRON
IN WATER
FL 671.11'
IN WALL
4" PVC &
8" PVC

FOUND PK MAIL
FOUND 12" REBAR

PROPERTY B
0.80 ACRES

FREDDY'S
±3,800 s.f.

TENANT 3
±1,500 s.f.

TENANT 2
±2,400 s.f.

TENANT 1
±2,400 s.f.

PROPERTY B
1.32 ACRES

OLD GENERATOR

PROPOSED
PROPERTY LINE

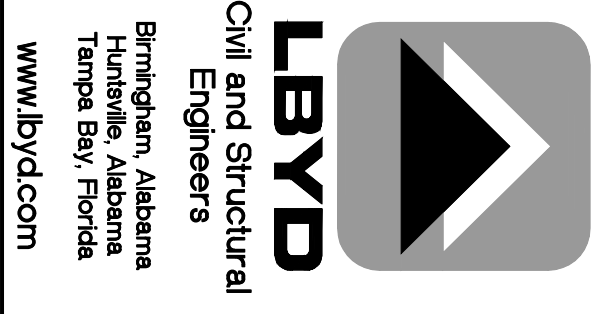
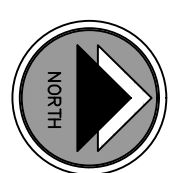
PROPOSED
PROPERTY LINE

L=674.98'
R=3154.18"
Δ=12°15'40"
CB=N 26°23'20" E
CH=673.69'

TOP 673.67'
IN 668.85' (NW)
OUT 666.77'

U.S. HIGHWAY #31
R.O.W. VARIES

LAYOUT PLAN LEGEND	
	STANDARD CONCRETE PAVING (SEE DETAIL)
	HEAVY DUTY ASPHALT PAVING (SEE DETAIL)
	STANDARD DUTY ASPHALT PAVING (SEE DETAIL)
	CONCRETE SIDEWALK (SEE DETAIL)
	PARKING COUNT



LBYD, Inc.
716 South 30th Street
Birmingham, AL 35233
Phone (205) 253-2000
Fax (205) 253-1744
Civil Fax (205) 488-0226
www.lbyd.com

102-15-028.004

Revision	Date

Project Name
FREDDY'S FROZEN CUSTARD & STEAKBURGERS
BAMA 1 CUSTARD
VESTAVIA HILLS, AL

Sheet Title
SITE LAYOUT PLAN

Date
3/08/2016

Checked By
DAD

Sheet Number
C20

Sequence
Total: **2**
of: **8**

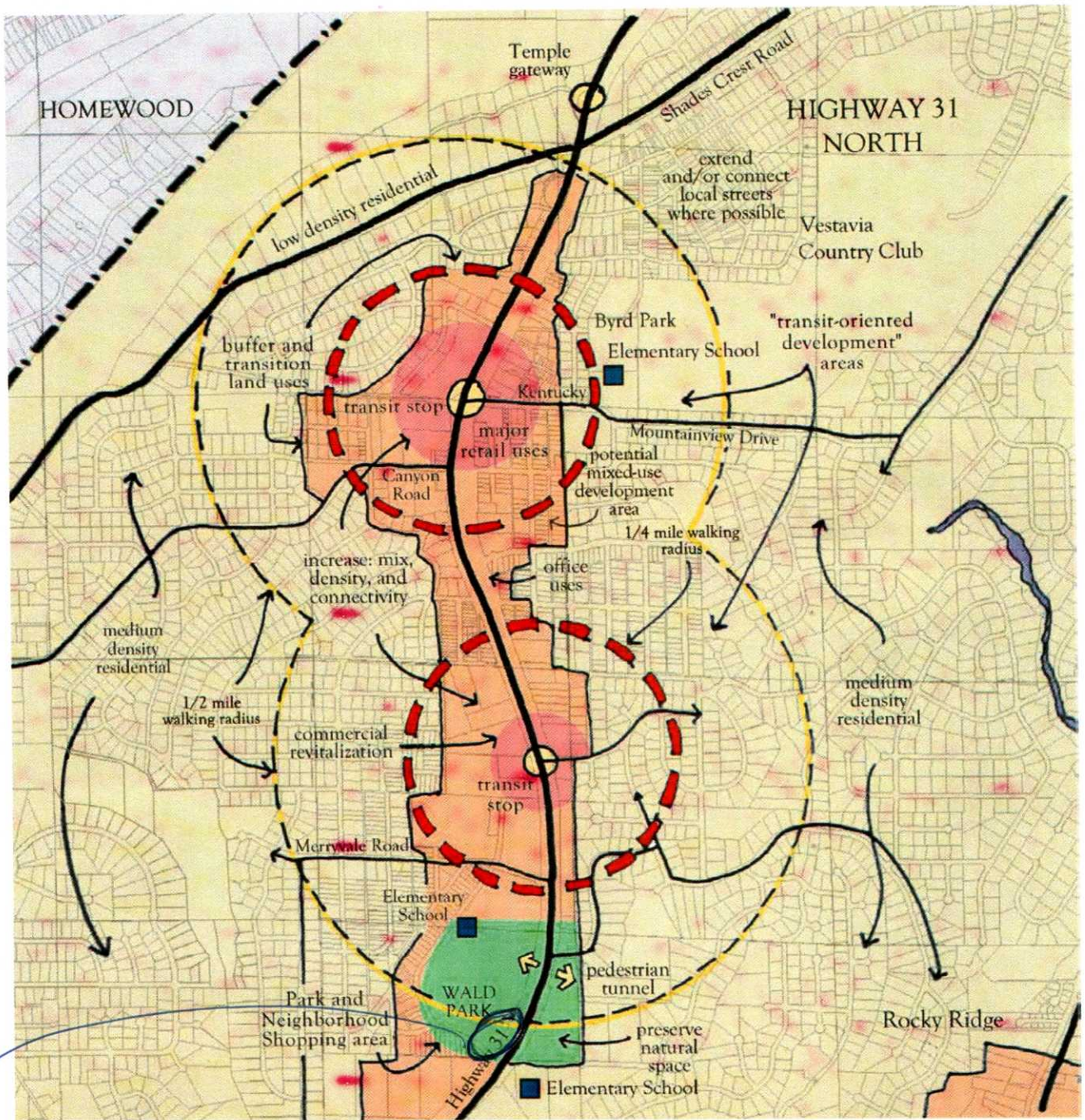




+ 33.431, -86.790 Degrees

Wendy Ajpling Department of GIS City of

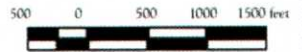
- B-1
- B-1*
- B-2
- B-2*
- B-3
- B-3*
- E-2
- E-2*
- Inst-1
- Inst-1*
- O-1
- O-1*
- O-2
- O-2*
- PUD-MU
- PUD-PB
- PUD-PB*
- PUD-PB-CU
- PUD-PI
- PUD-FMC
- PUD-MO
- PUD-FRC-1
- PUD-FRC-1 (CU)
- PUD-FRC-1*
- PUD-FRC-2
- R-1
- R-1*
- R-2
- R-2*
- R-3/PART
- R-3
- R-4



Subject Property

Figure 17: Highway 31 North Land Use Analysis

- Neighborhood - primarily low / medium density single-family residential areas with higher densities near village center(s). Other uses may include schools, places of worship, recreational areas, and open space.
- Village Center - mixed use centers with highest densities in core areas. Mix of uses should include retail and service businesses, professional offices, high density residential areas, institutions, recreation areas, and public spaces.
- Commercial Core - primarily high density, retail and service business areas with professional offices and multi-family residences on upper floors or on periphery. Other uses may include institutions and public space.
- Gateways and Nodes - Gateways are entryways into the community or village enhanced with consistent signage, landscaping, and other elements. Nodes are sites, such as transit stops, where public spaces, signage, and other public design elements should be considered.
- Professional Offices - primarily professional office uses. Density should vary according to surroundings. Other uses may include retail and services (supporting offices and employees), places of worship, public spaces, and open space.
- Recreation and Open Space - public and private recreation facilities and preserved natural spaces. Recreation facilities may be active, passive or combined. Open spaces are areas preserved in a natural state and may include passive recreational uses.
- Trailheads - Trailheads are public sites along a trail, where bike racks, seating, parking, and public amenities are provided for trail users.
- Schools - School facilities administrated by the Vestavia Hills School System.



ORDINANCE NUMBER 2675

**AN ORDINANCE GRANTING CONDITIONAL USE APPROVAL
FOR A FLEET OPERATIONS CENTER**

WHEREAS, on December 13, 2010, the City Council of the City of Vestavia Hills, Alabama, adopted and approved Ordinance Number 2331, also known as the City of Vestavia Hills Zoning Code; and

WHEREAS, on February 19, 2001 the City Council of the City of Vestavia Hills adopted and approved Ordinance Number 1864 to rezone 3,350 +/- acres from multiple Jefferson County and Vestavia Hills zoning classifications to Vestavia Hills P.U.D.; and

WHEREAS, Section 709.5.A.6 of Ordinance Number 1838 classifies a “major auto repair” permitted only in Planned Light Industrial, therefore, required as a “Conditional Use” in PR-1 zoning classification; and

WHEREAS, the City of Vestavia Hills is the owner of the property located at 4750 Sicard Hollow Lane, currently zoned Vestavia Hills PUD PR-1 (planned unit development planned residential district) more particularly described as follows:

A part of Lot 1 Vestavia Sports Park Survey as recorded in Map Book 181 Page 54 in the Probate Office of Jefferson County, Alabama and more particularly described as follows:

Commence at the NW corner of Section 17, Township 18 South, Range 1 West and run East along the North line of said Section 17 for a distance of 175.00 feet more or less to a point located on the centerline of a paved driveway said point being the Point of Beginning. Thence turn right and run in a south-southwesterly direction along the centerline of the said paved driveway to the point of intersection of said centerline or the projection thereof with the northeasterly right of way line of a 100 feet Alabama Power Right of Way. Thence turn left and run southeasterly along the said Northerly Alabama Power Right of Way line to the intersecting point where the said Alabama Power right of way line turns left and runs in an easterly direction. Thence turn left and run easterly along the northerly line of said Alabama Power right of way line to the intersection of said northerly line with the Alabama Power Right of way line to the intersection of the

northerly right of way line with the north line of said Section 17. Thence turn left and run West along the said North line of the said Section 17 to the point of beginning; and

WHEREAS, the City of Vestavia Hills has submitted a Resolution for conditional use approval for a fleet operational center to be operated at said property located at 4750 Sicard Hollow Road, Vestavia Hills, Alabama located in the Liberty Park P.U.D.; and

WHEREAS, a copy of said Resolution dated April 26, 2016 is attached and hereby incorporated into this Ordinance Number 2675.

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

1. Conditional Use Approval is hereby approved for the City of Vestavia Hills for construction and operation of a fleet operations facility with major mechanical work as described in the above-referenced application for the property located at 4750 Sicard Hollow Road, Vestavia Hills, Alabama located in Liberty Park P.U.D.
2. At any time should the City of Vestavia Hills vacate the premises described above, discontinue or relocate this facility, this conditional use approval shall be nullified and said Ordinance Number 2675 shall be automatically repealed.
3. This Ordinance Number 2675 shall become effective immediately upon adoption, approval and publishing/posting pursuant to Alabama law; and

DONE, ORDERED, ADOPTED and APPROVED this the 25th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

Rebecca Leavings
City Clerk

CERTIFICATION:

I, Rebecca Leavings, as City Clerk of the City of Vestavia Hills, Alabama, hereby certify that the above and foregoing copy of 1 (one) Ordinance # 2675 is a true and correct copy of such Ordinance that was duly adopted by the City Council of the City of Vestavia Hills on the 25th day of July, 2016 as same appears in the official records of said City.

Posted at Vestavia Hills Municipal Center, Vestavia Library in the Forest, Vestavia Hills New Merkle House and Vestavia Hills Recreational Center this the _____ day of _____, 2016.

Rebecca Leavings
City Clerk

CITY OF VESTAVIA HILLS
SYNOPSIS AND STAFF RECOMMENDATION CONCERNING
APPLICATION BEFORE THE PLANNING AND ZONING COMMISSION

Date: **JUNE 9, 2016**

- **CASE:** P-0616-28
- **REQUESTED ACTION:** Conditional Use Approval for a Fleet Operations Facility
- **ADDRESS/LOCATION:** 4750 Sicard Hollow Rd.
- **APPLICANT/OWNER:** City of Vestavia Hills
- **GENERAL DISCUSSION:** The City is looking to expand the current Public Works facility at Liberty Park. Currently, the facility is used to maintain park equipment. The City would expand the facility to include 3 drive-thru bays for vehicle maintenance fleet operations offices. Facility would be fenced and gated, with landscape buffering outside of the fencing.
As part of the proposal the City would realign the park access road, eliminating the curve. The City has also proposed integrating the pedestrian tunnel and a multi-purpose path. A site plan is attached.
As required by the Liberty Park PUD, approval of a Conditional Use permit is required for the facility. The property is zoned PR-1.
- **LIBERTY PARK MASTER PLAN:** This request is consistent with the procedures of the Liberty Park PUD.
- **STAFF REVIEW AND RECOMMENDATION:**
 1. **City Planner Review:** I have looked at all of the relevant zoning / subdivision requirements related to this proposal, including application, notification, setbacks, area of lot development, etc. Notification has been sent to property owners pursuant to Alabama law. I have reviewed this request and find it does meet the minimum requirements of the proposed zoning.

City Planner Recommendation: I recommend the Commission recommend approval with the conditions requested by Liberty Park.
 2. **City Engineer Review:** I have reviewed the application and I have no issues with this request.
 3. **City Fire Marshal Review:** I have reviewed the application and I have no issues with this request

4. **Building Safety Review:** I have reviewed the application and I have no issues with this request.

MOTION Mr. House made a motion to recommend approval of Conditional Use Approval for a Fleet Operations Facility Located At 4750 Sicard Hollow Rd. Second was by Mr. Burrell. Motion was carried on a roll call; vote as follows:

Mr. Goodwin – yes
Mr. Sharp – yes
Mr. Visintainer – yes
Mr. House – yes
Motion carried.

Mr. Burrell – yes
Mr. Wolfe – yes
Mr. Gilchrist – yes
Mr. Larson – yes

RESOLUTION NUMBER 4827

A RESOLUTION INITIATING A REQUEST FOR CONDITIONAL USE APPROVAL FOR HEAVY MECHANICAL FOR A PORTION OF LOT 1, VESTAVIA HILLS SPORTS PARK FOR CONSTRUCTION OF A CITY FLEET OPERATIONS FACILITY

WHEREAS, Lot 1 Vestavia Sports Park is located within the Liberty Park P.U.D. in an area designated as PR-1 for recreational park use; and

WHEREAS, a portion of Lot 1, Vestavia Sports Park is located adjacent to Sicard Hollow Road and is currently utilized as a park maintenance facility; a diagram of said location is detailed on a map marked as "Exhibit A" which is attached to and incorporated into this Resolution Number 4827 as though written fully therein; and

WHEREAS, the City of Vestavia Hills desires to construct a new Fleet Operations Facility for the maintenance and repair of all City vehicles on the above-described portion of Lot 1, Vestavia Sports Park ("the Subject Property"); and

WHEREAS, said use for a Fleet Operations Facility on this property requires the approval of a Conditional Use pursuant to the zoning of the Liberty Park P.U.D.

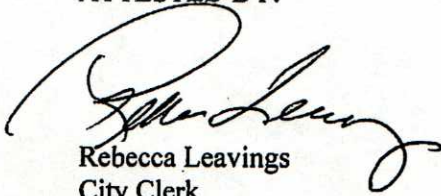
NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF VESTAVIA HILLS, ALABAMA, AS FOLLOWS:

1. The City of Vestavia Hills shall request a conditional use approval for "major mechanical" for the property detailed in the attached Exhibit and referred to as "the Subject Property"; and
2. The City Clerk shall file this Resolution Number 4827 to serve as a petition with the City Planner in order to begin said process to request a Conditional Use approval; and
3. This Resolution Number 4827 shall become effective immediately upon adoption and approval.

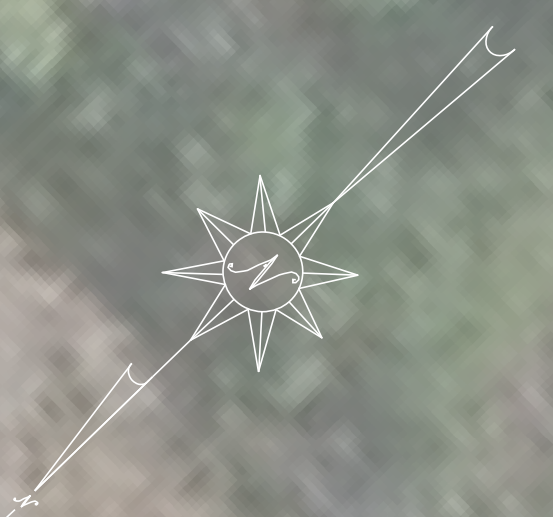
ADOPTED and APPROVED this the 25th day of April, 2016.


Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:



Rebecca Leavings
City Clerk



PROPOSED MULTI-USE PATH

PROPOSED PEDESTRIAN TUNNEL

PARK ENTRANCE

FLEET OPERATIONS

ENTRANCE (GATED)

SICARD HOLLOW RD

ONLY

ONLY

ONE WAY

1

2

3

FENCING W/ SCREEN

NOTE: ALL PARCELS ARE OWNED BY CITY OF VESTAVIA HILLS.

DUMPSTER PAD

FLEET OPERATIONS FACILITY 80'X80' (3 BAYS - 18'X80')

ONSITE STORM WATER DETENTION AREA

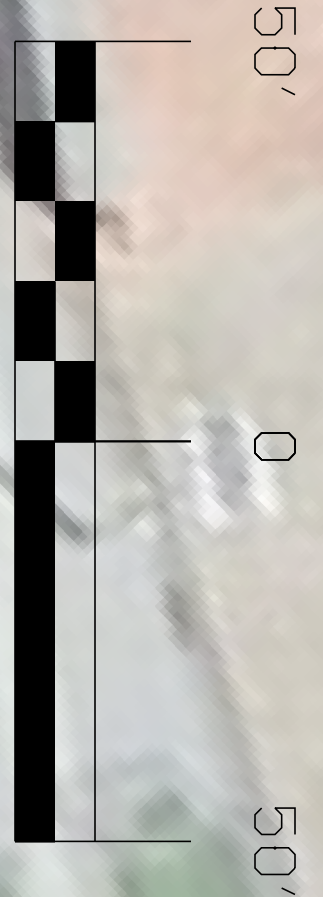
PARK ACCESS RD.

EXISTING PARKING LOT



VESTAVIA HILLS

FLEET OPERATIONS FACILITY
SICARD HOLLOW ROAD SITE



PREPARED BY:
VOLKERT

05-20-2016

PROPOSED MULTI-USE PATH

PROPOSED PROPERTY LINE

RESOLUTION NUMBER 4855

A RESOLUTION AUTHORIZING THE CITY MANAGER TO APPROPRIATE ADDITIONAL FUNDING TO MEET IMMEDIATE NEEDS OF THE VESTAVIA HILLS PARK AND RECREATION DEPARTMENT

WHEREAS, the Vestavia Hills Park and Recreation Board met in special session on July 7, 2016 to discuss certain needs within the Park and Recreation Department that needed immediate attention; and

WHEREAS, the Public Service Director, in a memorandum to the City Manager, indicated said need along with a listing of the expected expenditures, a copy of which is marked as Exhibit A attached to and incorporated into this Resolution Number 4855 as if written fully therein; and

WHEREAS, the City Manager has reviewed said request and recommended approval; and

WHEREAS, the Mayor and City Council feel it is in the best public interest to approve the request as presented.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF VESTAVIA HILLS, ALABAMA, AS FOLLOWS:

1. The City Manager is hereby authorized to expend an amount not to exceed \$170,000 as detailed in the attached Exhibit A; and
2. This Resolution Number 4855 shall become effective immediately upon approval and adoption.

ADOPTED and APPROVED this the 25th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

Rebecca Leavings
City Clerk

**Vestavia Hills Public Services
1032 Montgomery Highway
Vestavia Hills, AL 35216**

INTEROFFICE MEMO

Date: July 7, 2016

TO: Jeff Downes
City Manager

From: Brian Davis
Public Service Director

RE: Parks and Recreation Capital Request for current fiscal year

Per our discussions I would like to request funding out of our current fiscal year to begin working on a few immediate needs within our Parks and Recreation facilities and programs.

In order to accomplish these needs, I anticipate an amount of \$170,000. The Parks and Recreation Board met today to discuss the specific details at a special called board meeting and approved this request.

To address these needs, I am requesting a first read of the Council on July 11, 2016, at their regular meeting and then be on the agenda for a public hearing and possible approval by the Council at their July 25, 2016 regular meeting.

Please let me know if you have any questions or concerns. Thank you.

CC: Anne Smyth, President of the Parks and Recreation Board
Jason Burnett, Parks and Recreation Superintendent

Facility	Discription	Total Cost Estimate	STS	City Staff	Contractor	Vendor
Wald 1	800 linear feet of drain lines in the right field area and down in that bad swell by the bull pen Verti-Cut, aerate, and topdress	\$ 12,500.00	\$ 12,500.00			
Wald 2	400 feet of drain lines	\$ 4,500.00	\$ 4,500.00			
Wald 3	400 feet of drain lines	\$ 4,500.00	\$ 4,500.00			
Kelly Field	drainage	\$ 15,000.00	\$ 7,500.00	\$ 7,500.00		
LP 1-4	Cage and pitching upgrades	\$ 15,000.00				\$ 15,000.00
LP 5-9	Shade Structures	\$ 20,000.00			\$ 20,000.00	
CH 4 fields	Shade Structures	\$ 16,000.00		\$ 16,000.00		
Wald 1-4	Shade Structures	\$ 16,000.00			\$ 16,000.00	
SHAC	Crumb Rubber	\$ 10,000.00	\$ 10,000.00			
All Fields	Cage signage	\$ 3,000.00				\$ 3,000.00
All Fields	Quick Coupler's/watering stations for various fields	\$ 5,000.00			\$ 5,000.00	
CH 4 fields	Overhead netting in certain areas	\$ 10,000.00			\$ 10,000.00	
Various Parks	Painting of structures (predominately CH)	\$ 7,500.00			\$ 7,500.00	
SHAC	Goal Posts for Royal Field	\$ 3,500.00				\$ 3,500.00
SHAC Entrance	Landscaping	\$ 5,000.00			\$ 5,000.00	
New Merkel	New Sign for New Merkel House	\$ 5,000.00				\$ 5,000.00
Playgrounds	Mulch	\$ 14,000.00				\$ 14,000.00
General	Miscellaneous Parks upgrades	\$ 3,500.00		\$ 3,500.00		
		\$ 170,000.00	\$ 39,000.00	\$ 27,000.00	\$ 63,500.00	\$ 40,500.00

RESOLUTION NUMBER 4856**A RESOLUTION AUTHORIZING THE CITY MANAGER TO REALLOCATE FUNDING WITHIN THE CAPITAL FUNDS BUDGET FOR FISCAL YEAR 2016 IN ORDER TO PURCHASE SERVERS FOR FINANCIAL SOFTWARE**

WHEREAS, on September 14, 2015 the City Council adopted and approved Resolution Number 4752 adopting a General Fund Budget, a Special Funds Budget, a Capital Funds Budget and a Sidewalk Projects Fund Budget for the City of Vestavia Hills for fiscal year 2015-2016; and

WHEREAS, said Capital Funds Budget included the purchase of one (1) custodial van for the Park and Recreation Department; a purchase which has since been deemed to no longer be needed; and

WHEREAS, said budget also included approval for a server upgrade to support the installation of upgraded financial software; and

WHEREAS, the proposed server upgrade expenses exceeded the budgeted expense; and

WHEREAS, the City Manager and Finance Director has examined said budget and recommended the reallocation of funding from the Capital Funds budget to delete said custodial van and cover the expense of the needed server; and

WHEREAS, the Mayor and City Council have reviewed the recommendation and find it is in the best public interest to approve that the City Manager reallocate funding within the budget in order to purchase said server.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF VESTAVIA HILLS, ALABAMA, AS FOLLOWS:

1. The City Manager is authorized to reallocate funds necessary in order to purchase the needed server for financial data upgrade as explained above; and
2. This Resolution Number 4856 shall become effective immediately upon adoption and approval.

APPROVED and ADOPTED this the 25th day of July, 2016.

Alberto C. Zaragoza, Jr.
Mayor

ATTESTED BY:

Rebecca Leavings
City Clerk