

AN ORDINANCE AUTHORIZING A SECOND SUPPLEMENTAL INDENTURE,
A SECOND SUPPLEMENTAL LEASE AGREEMENT
AND ACTIONS RELATED THERETO
ORDINANCE 06262024

BE IT ORDAINED by the City Council (the "Council") of the City OF VANCE (the "City"), in the State of Alabama, as follows:

Section 1. Findings. After investigation duly made by it and based upon the information obtained from such investigation, the Council hereby makes the following findings and declares the following statements to be true:

(a) The Governmental Utility Services Corporation of the City of Vance – Sewer Services (the "GUSC") has heretofore acquired, constructed and installed a sanitary sewer system (the "Sewer System") to provide sanitary sewer service to the public in the City and in the surrounding territory;

(b) in order to finance and refinance the costs of acquiring, constructing and installing the Sewer System, the GUSC has heretofore issued and sold its Taxable Revenue Refunding Bonds, Series 2020, dated October 15, 2020 (the "Series 2020 Bonds"), now outstanding in the aggregate principal amount of \$3,160,000;

(c) the Series 2020 Bonds were issued pursuant to a Mortgage and Trust Indenture dated as of July 1, 2012, from the GUSC to Regions Bank, as trustee (the "Trustee"), as supplemented and amended by a First Supplemental Mortgage and Trust Indenture dated as of October 1, 2020 (as so supplemented and amended, the "Indenture");

(d) the City has heretofore leased the Sewer System from the GUSC pursuant to a Lease Agreement dated as of July 1, 2012, between the GUSC and the City, as supplemented and amended by a First Supplemental Lease Agreement dated as of October 1, 2020 (as so supplemented and amended, the "Lease");

(e) the Series 2020 Bonds are special limited obligations of the GUSC payable solely from, and secured by a pledge of, the rentals derived by the GUSC from the leasing of the Sewer System to the City, pursuant to the Lease;

(f) the Sewer System is comprised of approximately 125 acres and consists of lagoon wastewater treatment facilities (including a spray field) that occupy approximately 70 acres;

(g) approximately 55 acres of the real property that comprises the Sewer System are not currently being used by, and are not required by, the GUSC or the City in the operation of the Sewer System, the original plans for the Sewer System do not reserve any of the said 55 acres for future need or

expansion, and there are no existing or contemplated plans for expansion of the Sewer System that would require the use of any of the said 55 acres;

(h) the GUSC and the City have held discussions with third parties regarding the sale of approximately 12 acres of wooded real property owned by the GUSC but not presently being utilized as part of the Sewer System (the "Subject Portion"), which the GUSC's independent engineer has determined contains questionable soils that would not be suited for operation of the wastewater treatment facilities of the GUSC;

(i) the GUSC and the City have determined that the Indenture and the Lease contain certain ambiguities and defects in that neither document contains clear provisions typical and customary of trust indentures and leases applicable to utilities such as the Sewer System and to entities such as the GUSC and the City that allow the sale of portion(s) of land upon the determination that such portion(s) are no longer needed for the operation the applicable utility system;

(j) the GUSC and the City have determined that it is necessary and desirable and in the best interest of the public and of the customers of the Sewer System that the Indenture and the Lease be amended to cure such ambiguities and defects and to add certain covenants and agreements of the GUSC to the Indenture;

(k) in order to affect the foregoing, it is necessary, desirable and in the public interest that the City execute a Second Supplemental Lease Agreement with the City (the "Second Supplemental Lease"), consent to the execution and delivery by the GUSC of a Second Supplemental Mortgage and Trust Indenture (the "Second Supplemental Indenture" and, together with the Second Supplemental Indenture, the "Amendment Documents") and take related actions as authorized herein.

Section 2. Consent to Second Supplemental Indenture. The Council hereby consents to the execution by the GUSC of the Second Supplemental Indenture, the form of which is attached as Exhibit A to and constitutes a part of this ordinance.

Section 3. Authorization of Second Supplemental Lease Agreement. The Mayor of the City is hereby authorized to execute and deliver, in the name and behalf of the City, the Second Supplemental Lease Agreement in substantially the form attached as Exhibit B to and constituting a part of this ordinance, together with such changes as the Mayor shall deem necessary or desirable, and the City Clerk is hereby authorized and directed to affix thereto and attest thereon the corporate seal of the City. Upon full execution of the Second Supplemental Lease, the Mayor is authorized and directed to deliver it to the Trustee. All provisions of the Second Supplemental Lease Agreement are hereby adopted as a part of this ordinance to the same extent as if they were set out in full herein.

Section 4. Additional Documents and Actions Authorized. The Mayor and the City Clerk are hereby further authorized and directed to execute, seal, attest and deliver such other instruments, certificates, agreements, notices, deeds, conveyances and other documents and to take such other actions on behalf of the City as may be necessary or desirable to consummate the transactions contemplated by this ordinance and the Amendment Documents or related to the Subject Portion, and all such actions heretofore taken by the Mayor or any other officer or agent of the City are hereby ratified and confirmed in all respects.

ADOPTED this 26th day of June, 2024.

/s/ Brenda Morrison

Mayor

ATTEST:

/s/ Tracy Burt

City Clerk

Exhibit A

Form of Second Supplemental Mortgage and Trust Indenture

SECOND SUPPLEMENTAL MORTGAGE AND TRUST INDENTURE

between

**THE GOVERNMENTAL UTILITY SERVICES CORPORATION
OF THE TOWN OF VANCE – SEWER SERVICES**

and

REGIONS BANK

Dated as of June 1, 2024

This document was prepared by:
H. Chandler Combest
Bradley Arant Boult Cummings LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203-2119
Telephone No. (205) 521-8679

This **SECOND SUPPLEMENTAL MORTGAGE AND TRUST INDENTURE** dated as of June 1, 2024, between **THE GOVERNMENTAL UTILITY SERVICES CORPORATION OF THE TOWN OF VANCE – SEWER SERVICES**, a public corporation under the laws of the State of Alabama (the "GUSC"), and **REGIONS BANK**, an Alabama banking corporation (the "Trustee").

RECITALS

The GUSC makes the following recitals of fact as the basis for its undertaking in this Second Supplemental Mortgage and Trust Indenture:

(a) The GUSC is duly incorporated under the provisions of the Code of Alabama, 1975, Section 11-97-1, et seq., by Certificate of Incorporation and amendments thereto duly filed for record in the office of the Judge of Probate of Tuscaloosa County, Alabama;

(b) The GUSC is not in default under any of the provisions contained in its Certificate of Incorporation, as amended;

(c) The GUSC has heretofore executed and delivered to the Trustee a Mortgage and Trust Indenture dated as of July 1, 2012, and filed for record in the office of the Judge of Probate of Tuscaloosa County, Alabama in Mortgage Book 2012, at Page 54445, as supplemented and amended by a First Supplemental Mortgage and Trust Indenture dated as of October 1, 2020, and filed for record in the office of the Judge of Probate of Tuscaloosa County, Alabama in Mortgage Book 2020, at Page 98924 (as so amended and supplemented, the "Original Indenture");

(d) Under and pursuant to the Original Indenture, the GUSC has issued its \$3,660,000 initial principal amount Revenue Refunding Bonds, Series 2012, dated July 1, 2012, none of which are presently outstanding, and its \$3,535,000 initial principal amount Taxable Revenue Refunding Bonds, Series 2020, dated October 15, 2020, \$3,160,000 of which are presently outstanding; and

(e) In order amend certain provisions of the Original Indenture, it has by proper corporate action duly authorized the execution and delivery of this Second Supplemental Mortgage and Trust Indenture pursuant to Section 15.1(d) of the Original Indenture.

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL MORTGAGE AND TRUST INDENTURE

WITNESSETH:

For the aforesaid purpose and in consideration of the respective agreements herein contained, it is hereby agreed between the parties signatory hereto and the owners of all Bonds issued under the Indenture (the owners of such Bonds evidencing their consent hereto by their acceptance of such Bonds and the parties signatory hereto evidencing their consent hereto by their execution hereof), each with each of the others, as follows (provided, that in the performance of any of the agreements of the GUSC contained herein, any obligation it may thereby incur for the payment of money shall not be a general debt on its part but shall be payable solely from the sources of payment specified in the Indenture):

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.1 Definitions. For all purposes, except as otherwise expressly provided or unless the context or use clearly indicates another or different meaning or intent, capitalized terms not herein defined shall have the meanings assigned to them in the Original Indenture, as supplemented by this Second Supplemental Mortgage and Trust Indenture. The following words and phrases and others evidently intended as the equivalent thereof shall have the following meanings:

"Bonds" means the Series 2020 Bonds and all Additional Bonds which may from time to time be issued under the Indenture.

"Second Supplemental Mortgage and Trust Indenture" means this Second Supplemental Mortgage and Trust Indenture dated as of June 1, 2024, supplementing and amending the Original Indenture.

"Original Indenture" means the Mortgage and Trust Indenture between the GUSC and the Trustee dated as of July 1, 2012, as heretofore supplemented and amended.

"Series 2020 Bonds" means the GUSC's Taxable Revenue Refunding Bonds, Series 2020, dated October 15, 2020, originally issued in the principal amount of \$3,535,000.

Section 1.2 Use of Phrases. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Second Supplemental Mortgage and Trust Indenture as an entirety and not solely to the particular portion thereof in which any such word is used. The definitions set forth in Section 1.1 include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

ARTICLE II

AMENDMENTS TO THE ORIGINAL INDENTURE

Section 2.1 Amendment to Article XI. Section 11.6 of the Original Indenture is hereby deleted in its entirety and the following is substituted therefor:

"Section 11.6 Agreement of GUSC to Maintain Corporate Existence and Not to Dispose of Sewer System.

Except to the extent specially permitted by the provisions of this Section 11.6, the GUSC will maintain its corporate existence, will not dissolve or sell, transfer or otherwise dispose of the Sewer System or any part thereof and will not consolidate with or merge into another public corporation or permit one or more other corporations to consolidate with or merge into it. The GUSC may, however, sell portions of the Sewer System which, in the opinion of an Independent Engineer as evidenced by a certificate filed with the Trustee, are no longer necessary for the continued efficient and economical operation of the Sewer System. The GUSC will use the proceeds of any such sale of any portion(s) of the Sewer System for the payment of costs of acquiring, constructing and installing improvements, replacements, repairs or extensions to the

Sewer System. Further, the GUSC will use its best efforts to maintain, preserve and renew all the rights and powers provided to it by the Act and any other applicable laws of the State of Alabama or the United States of America.

If the laws of the State of Alabama at the time shall permit such action to be taken, nothing contained in this section shall prevent (a) the consolidation of the GUSC with, or the merger of the GUSC into, any public corporation which has corporate authority to undertake and perform the obligations and agreements of the GUSC under the Lease and the Indenture or (b) the transfer by the GUSC of the Sewer System as an entirety to another public instrumentality which has corporate authority to undertake and perform the obligations and agreements of the GUSC under the Lease and the Indenture; provided that upon any such consolidation, merger or transfer the following conditions shall be satisfied: (i) the due and punctual payment of the principal of and the interest and premium (if any) on the Bonds according to their tenor and the due and punctual performance and observance of all the agreements and conditions contained in the Lease and the Indenture to be kept and performed by the GUSC shall be expressly assumed in writing by the corporation resulting from such consolidation or surviving such merge or the instrumentality to which the Sewer System shall be transferred as an entirety; (ii) such consolidation, merger or transfer shall not cause or result in any mortgage or other lien of the Indenture covering the Sewer System or prior to the pledge of the revenues from the Sewer System made in the Indenture for the benefit of the Bonds; and (iii) such consolidation, merge or transfer shall not cause or result in the Sewer System or the revenues of the GUSC therefrom becoming subject to any taxation to which the same was not therefore subject, or in the interest income on any of the Bonds becoming subject to income taxation by the State of Alabama or any political subdivision thereof or includible in gross income for purposes of federal income taxation."

Section 2.2 Amendment to Exhibit A. Exhibit A of the Original Indenture is hereby deleted in its entirety and replaced with Exhibit A attached to this Second Supplemental Mortgage and Trust Indenture.

ARTICLE III

MISCELLANEOUS PROVISIONS

Section 3.1 Limitation of Rights. Nothing herein shall confer any right on anyone other than the GUSC, the Trustee and the Holders of the Bonds.

Section 3.2 Indenture Governed by Alabama Law. It is the intention of the parties hereto that this Second Supplemental Mortgage and Trust Indenture shall in all respects be governed by the laws of the State of Alabama.

Section 3.3 Confirmation of Indenture. All the terms, covenants, and conditions of the Original Indenture, except as amended and supplemented by this Second Supplemental Mortgage and Trust Indenture, are hereby in all things confirmed, and they shall remain in full force and effect. Further, the GUSC does hereby confirm the lien of the Indenture.

Section 3.4 Severability. In the event that any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

[Signatures follow on next page]

**THE GOVERNMENTAL UTILITY SERVICES
CORPORATION OF THE TOWN OF VANCE
– SEWER SERVICES**

Chairman of its Board of Directors

STATE OF ALABAMA)
)
COUNTY OF TUSCALOOSA)

[S E A L]

REGIONS BANK,
as Trustee

By: _____

Its: _____

STATE OF ALABAMA)

:

COUNTY OF JEFFERSON)

I, the undersigned Notary Public in and for said county in said state, hereby certify that _____, whose name as _____ of REGIONS BANK, an Alabama banking corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the said instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act of said bank.

Given under my hand and official seal this _____ day of June, 2024.

Notary Public

[S E A L]

Exhibit A
Project Site

Beginning at a concrete monument, being the SW corner of the SE 1/4 of the SW 1/4 of Section 34, Township 21 South, Range 7 West, Tuscaloosa County, Alabama; thence North 1 degree, 19 minutes 25 seconds West along the west line of the East 1/2 of the West 1/2 of said Section 34 for 1,353.25 feet to an old pine knot; thence continue along said line North 1 degree 10 minutes 10 seconds West for 1,352.76 feet to an old concrete monument; thence continue along said line North 1 degree 14 minutes 47 seconds West for 1,293.67 feet to an iron pipe set on the south right-of-way of Southern Railroad right-of-way being 100 feet in width; thence North 85 degrees 53 minutes 17 seconds East along the south right-of-way of said Southern Railroad for 1,338.27 feet to an old iron pipe set on the west line of the E 1/2 of said Section 34; thence South 1 degree 08 minutes 49 seconds East along the west line of the East 1/2 of said Section 34 for 4,135.40 feet to an old iron pipe and the SE corner of the SE 1/4 of the SW 1/4 of said Section 34; thence North 88 degrees 17 minutes 00 seconds West along the south line of said SE 1/4 of the SW 1/4 for 1,331.19 feet to the Point of Beginning. Said described property lies in the SE 1/4 of SW 1/4, NE 1/4 of SW 1/4 and the SE 1/4 of NW 1/4 and NE 1/4 of NW 1/4 of Section 34, Township 21 South, Range 7 West, Tuscaloosa County, Alabama.

SOURCE OF TITLE FOR THE ABOVE DESCRIBED REAL PROPERTY: Deed from George Marion Neal to The Governmental Utility Services Corporation of the Town of Vance-Sewer Services as recorded in Deed Book 1997, at Page 3561, in the Office of the Judge of Probate of Tuscaloosa County, Alabama.

LESS AND EXCEPT from the above-described real property, the following:

A tract or parcel of land located in the East half of the Northwest Quarter of Section 34 Township 21 South, Range 7 West in Tuscaloosa County, Alabama, containing 12.00 acres, more or less, and being more particularly described as follows:

As a POINT OF COMMENCEMENT, start at a concrete monument found at the Southwest corner of the Southeast quarter of the Southwest quarter of Section 34, Township 21 South, Range 7 West, Tuscaloosa County, Alabama; thence run North 01°19'11" West and along the West boundary of the Southeast quarter of the Southwest quarter of said Section 34 for a distance of 1353.25 feet; thence run North 01°09'56" West and along the West boundary of the Northeast quarter of the Southwest quarter of said Section 34 for a distance of 1352.76 feet; thence run North 01°14'33" West and along the West boundary of the Southeast quarter of the Northwest quarter of said Section 34 for a distance of 933.66 feet to a capped rebar set being the POINT OF BEGINNING of herein described parcel; thence continue along said line North 01 degrees 14 minutes 33 seconds West for a distance of 360.01 feet to a capped rebar set on the South right-of-way of Norfolk Southern Railway right-of-way, being 100 feet in width; thence run North 85 degrees 53 minutes 31 seconds East and along the South right-of-way of said Norfolk Southern Railway right-of-way for a distance of 1338.27 feet to a capped rebar set on the East line of the East half of the Northwest quarter of said Section 34; thence run South 01 degrees 08 minutes 35 seconds East and along the East line of the East half of the Northwest quarter of said Section 34 for a distance of 422.40 feet to a capped rebar set; thence run South 88 degrees 33 minutes 50 seconds West for a distance of 1335.87 feet to the POINT OF BEGINNING of herein described parcel.

Exhibit B

Form of Second Supplemental Lease Agreement

SECOND SUPPLEMENTAL LEASE AGREEMENT

between

**THE GOVERNMENTAL UTILITY SERVICES CORPORATION
OF THE TOWN OF VANCE – SEWER SERVICES**

and

TOWN OF VANCE, ALABAMA

Dated as of June 1, 2024

This document was prepared by:
H. Chandler Combest
Bradley Arant Boult Cummings LLP
One Federal Place
1819 Fifth Avenue North
Birmingham, Alabama 35203-2119
Telephone No. (205) 521-8679

This **SECOND SUPPLEMENTAL LEASE AGREEMENT** (this "Second Supplemental Lease Agreement") between **THE GOVERNMENTAL UTILITY SERVICES CORPORATION OF THE TOWN OF VANCE – SEWER SERVICES**, a public corporation organized under the laws of the State of Alabama (the "GUSC"), and **TOWN OF VANCE, ALABAMA**, a municipal corporation under the laws of the State of Alabama (the "Town"),

RECITALS:

Pursuant to a Lease Agreement dated as of July 1, 2012, and filed of record in the office of the Judge of Probate of Tuscaloosa County, Alabama, in Deed Book 2012, at Page 12885 (the "2012 Lease Agreement"), the GUSC undertook to acquire, construct and install a sanitary sewer system (as defined in the 2012 Lease Agreement, the "Sewer System"). In order to finance the costs of acquiring, constructing and installing the Sewer System, the GUSC issued its Revenue Refunding Bonds, Series 2012 (the "Series 2012 Bonds") under a Mortgage and Trust Indenture dated as of July 1, 2012 (the "2012 Indenture"), between the GUSC and Regions Bank, as trustee (the "Trustee"). In order to secure the payment of the principal of an interest and premium (if any) on the Series 2012 Bonds, the GUSC mortgaged the Sewer System under the 2012 Indenture and pledged and assigned thereunder the interest of the GUSC in the 2012 Lease Agreement (other than certain rights reserved therein), including particularly "Basic Rent" payable thereunder by the Town for the use of the Sewer System.

The GUSC and the Town determined to advance refund and retire the Series 2012 Bonds and to provide funds for additional improvements to the Sewer System, and in order to accomplish said refunding and the financing of said additional improvements, the GUSC issued its Taxable Revenue Refunding Bonds, Series 2020 (the "Series 2020 Bonds"). In connection with the Series 2020 Bonds, the GUSC and the Trustee executed a First Supplemental Mortgage and Trust Indenture dated as of October 1, 2020 (the "First Supplemental Mortgage and Trust Indenture"; and, together with the 2012 Indenture, the "Original Indenture"), and the GUSC and the Town executed a First Supplemental Lease Agreement dated as of October 1, 2020, and filed of record in the office of the Judge of Probate of Tuscaloosa, Alabama, in Deed Book 2020, at Page 23879 (the "First Supplemental Lease Agreement" and, together with the 2012 Lease Agreement, the "Original Lease Agreement").

The GUSC and the Town desire to make certain amendments to the Original Lease Agreement and the Original Indenture, and in connection therewith, the GUSC and the Town are entering into this Second Supplemental Lease Agreement, and the GUSC and the Trustee are entering into a Second Supplemental Mortgage and Trust Indenture (the "Second Supplemental Mortgage and Trust Indenture"; the Original Indenture, as amended and supplemented by the Second Supplemental Mortgage and Trust Indenture is herein called the "Indenture"). The Original Lease Agreement, as supplemented and amended by this Second Supplemental Lease Agreement, is herein called the "Lease Agreement."

NOW, THEREFORE, the GUSC and the Town agree as follows:

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.1 Definitions. In addition to the words and phrases defined in the recitals of this Second Supplemental Lease Agreement and in the Original Lease Agreement, the words and phrases used but not otherwise defined herein shall be given the respective meanings assigned thereto in the Original Lease Agreement.

Section 1.2 Use of Phrases. "Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Second Supplemental Lease Agreement as an entirety and not solely to the particular portion in which any such word is used. The definitions set forth in the recitals hereof and in Section 1.1 hereof include both singular and plural. Whenever used herein, any pronoun shall be deemed to include both singular and plural and to cover all genders.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations by the GUSC. The GUSC makes the following representations as the basis for the undertakings on its part herein contained:

(a) The GUSC is a public corporation duly organized and validly existing under the provisions of the Act, by reason of its certificate of incorporation being duly filed for record in the office of the Judge of Probate of Tuscaloosa County, Alabama. The certificate of incorporation of the GUSC has not been amended or revoked, and the said certificate of incorporation is in full force and effect. The GUSC is not in default under any of the provisions contained in said certificate of incorporation or its bylaws or in the laws of the State of Alabama.

(b) There are no actions, suits or proceedings pending (nor, to the knowledge of the GUSC, are any actions, suits or proceedings threatened) against or affecting the GUSC or any property of the GUSC in any court, or before an arbitrator of any kind, or before or by any governmental body, which might materially and adversely affect the transactions contemplated by the Lease Agreement or which might adversely affect the validity or enforceability of the Lease Agreement or any other agreement or instrument to which the GUSC is or is to be a party relating to the transactions contemplated by the Lease Agreement.

(c) The execution and delivery of this Second Supplemental Lease Agreement and the Second Supplemental Mortgage and Trust Indenture, and the compliance with all the provisions of each thereof by the GUSC (i) are within the power and authority of the GUSC, (ii) will not conflict with or result in a breach of any of the provisions of, or constitute a default under, or result in or require the creation of any lien or encumbrance (other than Permitted Encumbrances) upon any property of the GUSC under the Act, the certificate of incorporation of the GUSC, any agreement or other instrument to which the

GUSC is a party or by which it may be bound, or any license, judgment, decree, order, law, statute, ordinance or governmental regulation applicable to the GUSC, and (iii) have been duly authorized by all necessary corporate action on the part of the GUSC.

(d) No consent, approval or authorization of, or filing, registration or qualification with, any governmental body on the part of the GUSC is required in connection with the execution, delivery and performance of either this Second Supplemental Lease Agreement or the Second Supplemental Mortgage and Trust Indenture.

(e) No event has occurred and no condition exists which would constitute an "Event of Default" under the Indenture, as "Event of Default" is therein defined, or which would become such an "Event of Default" with the passage of time or with the giving of notice or both. The GUSC is not in default under its certificate of incorporation, or any agreement or instrument to which it is a party or by which it is bound.

(f) The GUSC has good and marketable title to the Project Site, subject only to Permitted Encumbrances.

(g) The Sewer System will constitute "facilities" within the meaning of the Act, as now existing. As of the delivery of this Second Supplemental Lease Agreement, the Sewer System will be located wholly within the now existing corporate limits of the Town.

Section 2.2 Representations and Warranties by the Town. The Town makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Town is a political subdivision of the State of Alabama, and as such the Town has full power and authority to enter into the Lease Agreement and to consummate the transactions contemplated thereby.

(b) When duly executed and delivered by the GUSC, this Second Supplemental Lease Agreement will constitute a legal, valid and binding obligation of the Town, enforceable against the Town in accordance with its terms.

(c) The Town is not a party to any instrument or agreement or subject to any judgment, order, rule or regulation which materially and adversely affects, or in the future may (so far as the Council can now foresee) materially and adversely affect, the business, prospects, operations, properties, assets or condition (financial or otherwise) of the Town. Neither the execution and delivery of this Second Supplemental Lease Agreement, nor the consummation of the transactions herein contemplated, nor the fulfillment of or compliance with the terms and provisions hereof conflicts with, or results in a breach of, or constitutes a default under, any applicable law, rule, regulation, agreement, instrument, judgment or order by which the Town is bound or to which the Town or its properties is subject.

(d) The Town is not required to obtain the consent or approval of any governmental body or agency in connection with the execution and delivery of this Second Supplemental Lease Agreement (other than those already obtained, taken or made and which continue in full force and effect).

(e) There is no action, suit, or proceeding pending or overtly threatened against or affecting the Town before any court or governmental body (nor, to the best knowledge and belief of the Council, is there any basis therefor) which might result in any material adverse change in the business, prospects, operations, properties or assets or in the condition (financial or otherwise) of the Town, or which might materially and adversely affect the transactions contemplated by the Lease Agreement, or which might impair the ability of the Town to comply with its obligations thereunder.

(f) No event has occurred and no condition exists which, upon the execution of this Second Supplemental Lease Agreement, would constitute an Event of Default or which would become an Event of Default with the passage of time or with the giving of notice or both. To the best of the knowledge of the Town, no event has occurred and no condition exists which would constitute an "Event of Default" under the Indenture, as "Event of Default" is therein defined, or which would become such an "Event of Default" with the passage of time or with the giving of notice or both.

(g) All licenses, permits or other approvals required in connection with the acquisition, expansion, improvement, installation and operation of the Sewer System have been duly obtained and are in full force and effect except for any such licenses, permits or other approvals (i) which are not yet required and which will be duly obtained not later than the time required or (ii) the failure to obtain which will not materially and adversely affect the acquisition, expansion, improvement, installation and operation of the Sewer System.

(h) The operation of the Sewer System for the purpose for which it was designed and acquired will not conflict with any zoning, environmental, planning or similar regulations applicable thereto and will comply in all material respects with all applicable statutes, regulations, orders and restrictions.

(i) The Sewer System constitutes "facilities" within the meaning of the Act, as now existing. As of the delivery of this Second Supplemental Lease Agreement, the Sewer System will be located wholly within the now existing corporate limits of the Town.

ARTICLE III

CONFIRMATION OF DEMISE; AMENDMENTS TO THE ORIGINAL LEASE

Section 3.1 Confirmation of Demise. The GUSC hereby confirms the demise and leasing to the Town of, and the Town hereby rents from the GUSC, all real and personal property so demised and leased to the Town pursuant to Section 3.1 of the 2012 Lease Agreement and

pursuant to Section 3.1 of the First Supplemental Lease Agreement, subject to Permitted Encumbrances, for and during the Lease Term. The demise of such real and personal property is made, however, upon and subject to the following terms and conditions and to the terms and conditions of the Original Lease Agreement, as supplemented by this Second Supplemental Lease Agreement, to each of which the GUSC and the Town hereby agree.

Section 3.2 Consent to Second Supplemental Mortgage and Trust Indenture. The Town hereby consents to the execution of and approves the Second Supplemental Mortgage and Trust Indenture, including particularly the amendment of Section 11.6 of the Original Indenture contained therein.

Section 3.3 Amendment to the Original Lease. The Original Lease is hereby amended by deleting Exhibit A thereto in its entirety and replacing it with Exhibit A attached to this Second Supplemental Lease Agreement.

ARTICLE IV

MISCELLANEOUS

Section 4.1 Nature of this Second Supplemental Lease Agreement; Construction. From and after the execution of this Second Supplemental Lease Agreement, the 2012 Lease Agreement, the First Supplemental Lease Agreement and this Second Supplemental Lease Agreement shall be construed as a single instrument for the purposes and to the extent herein provided. The 2012 Lease Agreement, as supplemented by the First Supplemental Lease Agreement and this Second Supplemental Lease Agreement, is hereby confirmed by the GUSC and the Town.

Section 4.2 Confirmation of Options. All the options granted to the Town in Article XI of the Original Lease are hereby confirmed as if granted on the date hereof. Without in any way limiting the generality of the foregoing, the execution of this Second Supplemental Lease Agreement shall not be considered to cause or result in any change in (1) the option price payable by the Town in the event of its exercise of the option to purchase the Sewer System granted in the Original Lease or (2) any other conditions applicable to the exercise of said option by the Town.

Section 4.3 Binding Effect. The Original Lease Agreement, as supplemented by this Second Supplemental Lease Agreement, shall inure to the benefit of, and shall be binding upon, the GUSC, the Town, the Trustee and their respective successors and assigns.

Section 4.4 Severability. In the event any provision of the Original Lease Agreement, as supplemented by this Second Supplemental Lease Agreement, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof.

IN WITNESS WHEREOF, the GUSC and the Town have caused this Second Supplemental Lease Agreement to be executed in their respective corporate names, have caused their respective corporate seals to be hereunto affixed, and have caused this Second Supplemental Lease Agreement to be attested, all by their duly authorized officers, in counterparts, each of which shall be deemed an original, and have caused this Second Supplemental Lease Agreement to be dated as of June 1, 2024.

**THE GOVERNMENTAL UTILITY SERVICES
CORPORATION OF THE
TOWN OF VANCE – SEWER SERVICES**

[S E A L]

By _____
Chairman of its Board of Directors

Attest:

Its Secretary

TOWN OF VANCE, ALABAMA

[S E A L]

By _____
Its Mayor

Attest:

Its Town Clerk

STATE OF ALABAMA)
 :
COUNTY OF TUSCALOOSA)

I, the undersigned Notary Public in and for said county in said state, hereby certify that Dianne Averett, whose name as Chairman of the Board of Directors of THE GOVERNMENTAL UTILITY SERVICES CORPORATION OF THE TOWN OF VANCE – SEWER SERVICES, a public corporation under the laws of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act of said public corporation.

GIVEN under my hand and official seal of office, this ____ day of June, 2024.

Notary Public

[NOTARIAL SEAL]

STATE OF ALABAMA)
 :
COUNTY OF TUSCALOOSA)

I, the undersigned Notary Public in and for said county in said state, hereby certify that Brenda Morrison, whose name as Mayor of the TOWN OF VANCE, ALABAMA, a municipal corporation under the laws of the State of Alabama, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of the within instrument, she, as such officer and with full authority, executed the same voluntarily for and as the act of said limited liability company.

GIVEN under my hand and official seal of office, this ____ day of June, 2024.

Notary Public

[NOTARIAL SEAL]

EXHIBIT A

Project Site

Beginning at a concrete monument, being the SW corner of the SE 1/4 of the SW 1/4 of Section 34, Township 21 South, Range 7 West, Tuscaloosa County, Alabama; thence North 1 degree, 19 minutes 25 seconds West along the west line of the East 1/2 of the West 1/2 of said Section 34 for 1,353.25 feet to an old pine knot; thence continue along said line North 1 degree 10 minutes 10 seconds West for 1,352.76 feet to an old concrete monument; thence continue along said line North 1 degree 14 minutes 47 seconds West for 1,293.67 feet to an iron pipe set on the south right-of-way of Southern Railroad right-of-way being 100 feet in width; thence North 85 degrees 53 minutes 17 seconds East along the south right-of-way of said Southern Railroad for 1,338.27 feet to an old iron pipe set on the west line of the E 1/2 of said Section 34; thence South 1 degree 08 minutes 49 seconds East along the west line of the East 1/2 of said Section 34 for 4,135.40 feet to an old iron pipe and the SE corner of the SE 1/4 of the SW 1/4 of said Section 34; thence North 88 degrees 17 minutes 00 seconds West along the south line of said SE 1/4 of the SW 1/4 for 1,331.19 feet to the Point of Beginning. Said described property lies in the SE 1/4 of SW 1/4, NE 1/4 of SW 1/4 and the SE 1/4 of NW 1/4 and NE 1/4 of NW 1/4 of Section 34, Township 21 South, Range 7 West, Tuscaloosa County, Alabama.

SOURCE OF TITLE FOR THE ABOVE DESCRIBED REAL PROPERTY: Deed from George Marion Neal to The Governmental Utility Services Corporation of the Town of Vance-Sewer Services as recorded in Deed Book 1997, at Page 3561, in the Office of the Judge of Probate of Tuscaloosa County, Alabama.

LESS AND EXCEPT from the above-described real property, the following:

A tract or parcel of land located in the East half of the Northwest Quarter of Section 34 Township 21 South, Range 7 West in Tuscaloosa County, Alabama, containing 12.00 acres, more or less, and being more particularly described as follows:

As a POINT OF COMMENCEMENT, start at a concrete monument found at the Southwest corner of the Southeast quarter of the Southwest quarter of Section 34, Township 21 South, Range 7 West, Tuscaloosa County, Alabama; thence run North 01°19'11" West and along the West boundary of the Southeast quarter of the Southwest quarter of said Section 34 for a distance of 1353.25 feet; thence run North 01°09'56" West and along the West boundary of the Northeast quarter of the Southwest quarter of said Section 34 for a distance of 1352.76 feet; thence run North 01°14'33" West and along the West boundary of the Southeast quarter of the Northwest quarter of said Section 34 for a distance of 933.66 feet to a capped rebar set being the POINT OF BEGINNING of herein described parcel; thence continue along said line North 01 degrees 14 minutes 33 seconds West for a distance of 360.01 feet to a capped rebar set on the South right-of-way of Norfolk Southern Railway right-of-way, being 100 feet in width; thence run North 85 degrees 53 minutes 31 seconds East and along the South right-of-way of said Norfolk Southern Railway right-of-way for a distance of 1338.27 feet to a capped rebar set on the East line of the East half of the Northwest quarter of said Section 34; thence run South 01 degrees 08 minutes 35 seconds East and along the East line of the East half of the Northwest quarter of said Section 34 for a distance of 422.40 feet to a capped rebar set; thence run South 88 degrees 33 minutes 50 seconds West for a distance of 1335.87 feet to the POINT OF BEGINNING of herein described parcel.

SECOND AMENDMENT TO ORDINANCE NO. 090799

Amended 10072024

AN ORDINANCE LEVYING A PRIVILEGE OR LICENSE TAX ON PERSONS, FIRMS, CORPORATIONS AND OTHERS ENGAGED IN THE BUSINESS OF SELLING, STORING OR DELIVERING CERTAIN TOBACCO PRODUCTS WITHIN THE CORPORATE LIMITS OF THE CITY OF VANCE, ALABAMA AND TO PROVIDE FOR THE ENFORCEMENT OF SAID ORDINANCE AND TO PROVIDE PENALTIES FOR THE VIOLATION THEREOF.

Section 3 of the Ordinance shall be amended to read as follows:

SECTION 3. LEVY AND AMOUNT WITHIN CITY

(a) In addition to all other taxes now imposed by law, every person who sells or delivers any tobacco products shall pay a license tax to the City, and a license tax is hereby fixed and levied, which license tax shall be in the following amounts for the sale and delivery of the following named tobacco products within the City of Vance:

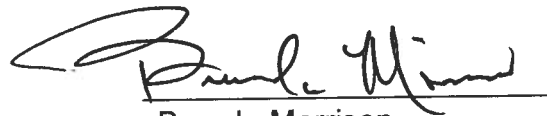
- (1) Cigarettes: All cigarettes made of tobacco or any substitute therefor, ten cents (\$0.10) per package.
- (2) Cigars: All cigars, whether sold individually or as a pack, of all descriptions made of tobacco or any substitute therefore, ten cents (\$0.10) per item, with each individual cigar or pack of cigars constituting an "item".
- (3) Smoking and smokeless tobacco: Upon all smokeless tobacco described as snuff or by any other description other than chewing tobacco, and upon all smoking tobacco including granulated, plug out, crimp-cut, ready-rubbed and other kinds and forms of tobacco prepared in any manner as to be suitable for smoking in a pipe or cigarette upon each package:
 - (A) Weighing not more than one and one eighth $1\frac{1}{8}$ ounce, tax two cents (\$0.02).
 - (B) Weighing over one and one-eighth $1\frac{1}{8}$ ounces but not exceeding two (2) ounces, tax five cents (\$0.05).
 - (C) Weighing over two (2) ounces but not exceeding three (3) ounces tax eight cents (\$0.08).

(D) Weighing over three (3) ounces but not exceeding four (4) ounces, tax ten cents (\$0.10).

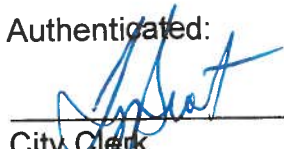
(E) Weighing over four (4) ounces, tax ten cents (\$0.10) plus four cents (\$0.04) additional tax for each ounce or fractional part thereof over four (4) ounces.

(4) Chewing tobacco: Upon all chewing tobacco prepared in such manner as to be suitable for chewing only and not suitable for smoking as described and taxed in Paragraph 3 of this subsection, two cents (\$0.02) per ounce of fractional part thereof.

Adopted and approved this the 7th day of October 2024.


Brenda Morrison
Mayor, City of Vance

Authenticated:



City Clerk
City of Vance



Wine Ordinance No. 10212024

AN ORDINANCE LEVYING A TAX ON SALES MADE BY PERSONS, FIRMS, CORPORATIONS AND OTHERS ENGAGED IN THE BUSINESS OF SELLING TABLE WINE WITHIN THE CORPORATE LIMITS OF THE CITY OF VANCE, ALABAMA AND TO PROVIDE FOR THE ENFORCEMENT OF SAID ORDINANCE AND TO PROVIDE PENALTIES FOR THE VIOLATION THEREOF.

Section 1: Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Gross Taxable Amount is the total of liters of table wine sold within the City of Vance.

Table wine is any wine containing not more than 24 percent alcohol by volume Table wine does not include any wine containing more than sixteen and one-half percent alcohol by volume that is made with herbs or flavors, except vermouth, or is an imitation or other than standard wine. Table wine is not liquor, spiritous or vinous, as those terms are defined by applicable state law.

Section 2: Sales tax imposed.

There is levied, in addition to all other taxes of every kind and nature imposed by law, and shall be collected as provided in this article, a sales tax upon the sale of every liter of table wine sold by every person, firm or corporation engaged or continuing within the corporate limits of the city in the business of selling table wine. Said sales tax is 7 cents per liter of table wine sold in the City of Vance.

Section 3 : License fees due monthly; filing of reports; estimated payment authorized; extension of time for making returns.

The sales taxes levied under the provisions of this article, except as otherwise provided, shall be due and payable in monthly installments on or before the 20th day of the month next succeeding the month in which the sales tax accrues. On or before the 20th of each month, every person on whom the license fees levied by this article is imposed shall render to the city, on a form prescribed by the city, a true and correct statement showing the total liters of table wine sold, for the next preceding month; together with such other information as the city may demand and require. At the time of making such monthly report such persons shall compute the sales taxes due and shall pay to the city clerk-treasurer's office the amount of license fees shown to be due.

Section 4 : Records to be kept.

It shall be the duty of every person engaging or continuing in this city in any business for which a privilege license fee is imposed by this article, to keep and preserve suitable records of the gross sales and gross receipts or gross receipts of sales of such business and such other books or accounts as may be necessary to determine the amount of sales taxes for which he is liable under the provisions of this article. And it shall be the duty of every person to keep and preserve all invoices of goods for resale or otherwise; and all such books, invoices and other records shall be open for examination by the city.

Section 5 : Reports under oath.

The monthly reports required in this article to be made are not required to be made on oath; but wherever in this article any report is required to be sworn to, it shall be sworn to by the taxpayer or his agent before some officer authorized to administer oaths.

Section 6 : Penalty for late filing and payment.

Any person subject to the provisions of this article who shall fail to make the reports and pay said sales taxes by the 20th day of the month following the reporting period shall be assessed a 10% penalty and interest using the current APR rate.

Section 7 : Violator may be restrained from continuing in business.

Any taxpayer who shall violate any of the provisions of this article may be restrained from continuing in business, and the proper prosecution shall be instituted in the name of the city by its attorney until such person shall have complied with the provisions of this article.

Adopted and approved this on the 21st day of October 2024.



Brenda Morrison
Mayor, City of Vance

Authenticated:



City Clerk
City of Vance



CITY OF VANCE, ALABAMA

Ordinance 11042024a

AN ORDINANCE ESTABLISHING THE USE OF ELECTRONIC VOTE COUNTING DEVICES

State of Alabama
Tuscaloosa County
City of Vance

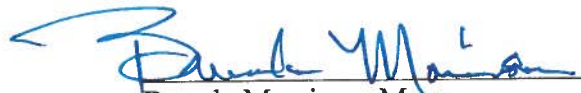
WHEREAS, Chapter 7 of Title 17 of the Alabama Code of 1975, and the regulations adopted pursuant thereto by the Alabama Voting Committee provide for the use of Electronic Vote Counting Systems; and

WHEREAS, Section 17-7-21 of the Code of Alabama 1975 provides that a municipality may, in its discretion by adoption of an appropriate ordinance, authorize, adopt, and direct the use of electronic vote counting systems for use in all elections in such municipality;

NOW, THEREFORE, BE IT ORDINANCE BY THE City Council of the City of Vance that for all elections held subsequent to the passage of this ordinance, the use of a DS200 Electronic Vote Counting System that Tuscaloosa County uses and the AutoMARK voter 8700, a system which complies with Section 17-7-21 of the Code of Alabama and any regulations adopted pursuant thereto, is hereby authorized for the reporting, counting, and tabulating of any and all election results.

BE IT FUTHER ORDAINED, that the Mayor of the City of Vance is hereby directed to file a copy of this Ordinance with the Secretary of State as provided in Section 17-7-21 of the Code of Alabama 1975.

Adopted this the 4th day of November, 2024.

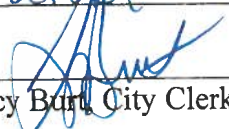

Brenda Morrison, Mayor

Attest:


Tracy Burt, City Clerk

CERTIFICATION

I, Tracy Burt, City Clerk for the City of Vance, do hereby certify the above to be a true and correct copy of Ordinance 11042024 was duly and legally adopted on the 4th day of October, 2024, by the City Council of Vance, while in regular session.


Tracy Burt, City Clerk

Ordinance 11182024

Establishing the Monthly Salary of the Mayor and Councilmembers

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VANCE, ALABAMA AS FOLLOWS:

Section 1. That the salary of the mayor of the City of Vance, Alabama, shall be and the same is hereby fixed at the sum of \$1,500.00 per month.

Section 2. That each council member shall be compensated at the sum of \$ 500.00 per month.

Section 3. That the Mayor Pro Tem shall be compensated at the sum of \$700.00 per month.

Section 4. This ordinance shall become effective on the first Monday in November 2025 and shall continue in force and effect until repealed by action of the council.

Section 5. The provisions of this ordinance are hereby declared severable; if any portion of this ordinance shall be held unconstitutional or otherwise invalid by a court of competent jurisdiction, such ruling shall not affect the remaining portions of this ordinance.

ADOPTED AND APPROVED THIS THE 18TH DAY OF NOVEMBER 2024.


Brenda Morrison, Mayor

ATTEST:


City Clerk Tracy Burt