

**PROCEEDINGS OF THE
BOARD OF COUNCILMEN
TOWN OF MERRYVILLE
STATE OF LOUISIANA
TAKEN AT THE REGULAR
MONDAY, AUGUST 11, 2009
AT 6:00 PM**

The Board of Councilmen of the Town of Merryville met in a public meeting at its regular meeting place, Town Hall, 530 Hennigan Street, Merryville, Louisiana

Mayor Charles E. Hudson called the meeting to order. Councilman Webb Stark gave the invocation. The Pledge of Allegiance was recited. Council members in attendance: Beaver Knighton, Cheryl Arnold, David E. Eaves, and Webb Stark. Absent: Carolyn S. Rhodes. Also in attendance: Keith Milam, Town Attorney, Jennifer Hatfield Town Clerk and Chief of Police James E. Longoria.

Amendments to the agenda: Additions to the agenda: 4) Raise for Chief of Police, 5) Raise for Council members, 6) Clean Properties

Councilman Stark made a motion to addition numbers four (4), five (5) and six (6) to the agenda. Councilman Eaves seconded the motion.

Councilwoman Arnold made a motion to dispense with the reading of the minutes from the July 13, 2009 public hearing and the July 13, 2009 regular meeting. Councilman Knighton seconded the motion. Motion carried unanimously.

Councilman Stark made a motion to approve the minutes of the July 13, 2009 public meeting and the July 13, 2009 regular meeting as were published in the official journal. Councilwoman Arnold seconded the motion. Motion carried unanimously.

Mayor Hudson informed the public that the Merryville Historical Society usually receives money from the Arts and Human Society, due to cut backs they will not be receiving as much money this year making it difficult to put on their festival each year. The Historical society is raffling off tickets for the LSU-Vanderbilt game. It is box seats on the front row and comes with two shirt's, one hand towel, one leather wallet, one LSU banner, one LSU book, one poster and \$100.00 spending money and the tickets are \$ 10.00 a piece so if you can please help support the Merryville Historical Society. He also told the public that we received \$15,000.00 for a non-specific reason. We are about finished with the second phase of the fire hydrants and will be putting in the new ones and had to buy three re-built one for \$ 750.00 a piece.

Councilman Eaves made a motion to approve the Sewer Revenue, Series 2009 Ordinance. Councilman Stark seconded the motion. Motion approved unanimously.

After much discussion the decision was made to shelf the motion in regards to increasing the Mayor of Merryville's salary from \$ 400.00 per month to \$ 700.00 per month until further notice.

Chief James Longoria requested that the issue in regards to reservist for the Town of Merryville be postponed until the September 14, 2009 meeting due to the fact he was unable to get in touch with the individuals about the meeting.

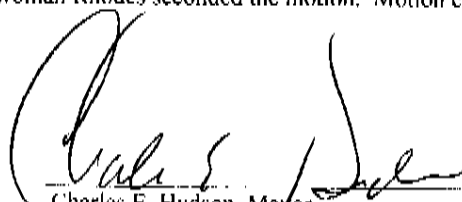
After much discussion it was decided to table the motion to the Chief of Police a raise until further notice.

After much discussion it was decided to table to the motion to give the Town Council a raise until further notice.

Councilman Stark made a motion to send a letter to 731 Hwy110W requesting that the property be cleaned up. Councilman Eaves seconded the motion. Motion carried unanimously.

Having no further business before the council, Councilwoman Arnold made a motion to adjourn the meeting and approve the bills by signature. Councilwoman Rhodes seconded the motion. Motion carried unanimously.

Meeting adjourned.


Charles E. Hudson, Mayor

ATTEST:


Jennifer Harfield, Town Clerk

The following ordinance, having been previously introduced on July 13, 2009, and a public hearing having been held thereon on August 10, 2009, was offered by Councilman David F. Eaves and seconded by Councilman Webb Stark:

ORDINANCE

An ordinance authorizing the incurring of debt and issuance of a Sewer Revenue Bond, Series 2009 in an amount not to exceed One Millions Dollars (\$1,000,000), by the Town of Merryville, State of Louisiana; making application to the State Bond Commission for approval of said bonds; employing bond counsel, and providing for other matters in connection therewith."

Be it ordained BY THE Mayor and Board of Aldermen of the Town of Merryville, State of Louisiana, acting as the governing authority (the "Governing authority"), of the Town of Merryville, State of Louisiana (the "Town"), that:

SECTION 1. Authorization and Sale of Bond. Pursuant to La. R.S. 39:1430 and La. R.S. 30:2079 (the "Act"), and other constitutional and statutory authority, the Governing Authority is hereby authorized to incur debt for the purpose of acquiring, constructing and installing improvements, extensions and additions to the sewerage system of the Town, and to represent said indebtedness, the Town shall issue its Sewer Revenue Bond, Series 2009, in an amount not exceeding One Million Dollars (\$ 1,000,000) (the "Bond"). The Bond shall be issued in the form of a single fully registered bond, dated to the date of delivery thereof and numbered R-1. The Bond shall be non-interest bearing, and shall mature in a single installment not later than twenty (20) years from date thereof. The principal of the Bond will be subject to forgiveness as provided in Section 3 below, and will be subject to prepayment at any time, in whole, or in part at the option of the Town, at a price of par plus accrued interest to the date of prepayment.

Pursuant to the Act and La. R.S. 39:1426(B), the Town has determined to sell the Bond at a private sale without the necessity of publishing any notice of sale. Accordingly, the Bond is hereby sold to the Louisiana Department of Environmental Quality, Municipal facilities Revolving Loan Fund (the "Department"). The purchase price of the Bond shall be paid to the Town by the the Department in installments on an "as-needed" basis, and the date and amount of each installment of the purchase price shall be noted on the Bond and the obligation of the Town to repay the principal of the Bond shall only accrue to the extent of the purchase price of the Bond theretofore paid by the Department.

SECTION 2. Form and Execution of Bond. The Bond shall be in substantially the form attached hereto as Exhibit A, and the Mayor and the Clerk of the Town are authorized and directed on behalf of the Town to execute, seal, and deliver the Bond to the Department.

SECTION 3. Security for Bond; Principal Forgiveness. The Bond will be secured by and payable from the revenues of Town's sewerage system (the "System"), subject to the prior payment of the reasonable and necessary costs and expensed of operating and maintaining the System, until the Bond is paid in full in accordance with its terms, all in accordance with the provisions of La. R.S. 30:2079, La. R.S. 39:1430 and

other constitutional and statutory authority. The Town shall budget and set aside from time to time as necessary sufficient of the net revenues of the System to pay the principal of the Bond when due.

However, it is understood that the terms of the purchase of the Bonds by the Department provide that the Town's obligation to repay the principal of the Bond will be forgiven simultaneously with the payment by the Department of each installment of the purchase price of the Bond. Accordingly, it is anticipated that no payments of principal, interest or administrative fees to the Department will ever be due and payable on the Bonds. Notwithstanding any law or contractual provision to the contrary, the forgiveness at any time of any or all of the principal of the Bond theretofore advanced by the Department shall in no way extinguish the Bond or the obligation thereof with respect to the yet-to-be advanced portion of the principal thereof.

SECTION 4. Loan Documents. The (i) Commitment Agreement, (ii) Loan & Pledge Agreement and (iii) Supplemental Loan Agreement, in substantially the forms attached hereto as Exhibits B-1, B-2, and B-3, are hereby approved, and the Mayor and the Clerk of the Town are authorized to execute and deliver the aforesaid documents on behalf of the Town, with such changes as may be deemed necessary, upon the advice of counsel, in connection with the Bond.

SECTION 5. Authorization of Officers. The Mayor and the Clerk of the Town are hereby further authorized and directed, for and on behalf of the Town, to accept, receive, execute, seal, attest and deliver with such additional documents, certifications and other instruments as are required in connection with the authorization, issuance, sale and delivery of the Bond and to take such further action as may be appropriated or required by law or advised by bond counsel in connection with the authorization, issuance, sale and delivery of the Bond.

SECTION 6. State Bond Commission. Application is hereby made to the State Board Commission, Baton Rouge, Louisiana, for approval of the issuance of the Bond. A certified copy of this ordinance shall be submitted to the State Board Commission, together with a request for prompt consideration and approval of this application.

By virtue of the Town's application for, acceptance and utilization of the benefits of the Louisiana State Bond Commission's approval(s) resolved and set for the herein, it resolves that the Town understands and agrees that such approval(s) are expressly conditioned upon and it further resolves that it understands, agrees and binds itself, its successors and assigns, to full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products Hedges, Etc.," adopted by the State Bond Commission on July 20, 2006, as to the borrowing(s) and other matter(s) subject to the approval(s), including subsequent application and approval under said Policy of the implementation or use of any swap(s) or other product(s) or enhancements(s) covered thereby.

SECTION 7. Employment of Bond Counsel. A real necessity is hereby found for the employment of special bond counsel in connection with the issuance of the Bond, and accordingly the law firm of Foley & Judell, L.L.P., is hereby employed as Bond Counsel to handle all matters of a legal nature in connection with the negotiation, sale, issuance and delivery of the Bond. Said special bond counsel shall prepare and submit to the Town all proceedings necessary for the due authorization, issuance, sale and delivery of the Bond, shall counsel the Town as to the issuance and sale of the Bond, and shall furnish its opinion covering the legality of the Bond. The fee of special bond council in this connection, which shall be contingent upon the delivery of the Bond, is hereby established and fixed at a sum not to exceed the maximum fee authorized the Attorney General's Guidelines for the fees of bond counsel for comprehensive legal and coordinate professional work in the issuance of revenue bonds based on the principal amounts of the Bonds delivered, plus "out-of-pocket" expenses. A certified copy of this ordinance shall be forwarded to the Attorney General of the State of Louisiana for his approval of the employment herein provided for.

SECTION 8. Publication; Peremption. A copy of this ordinance shall be published immediately after its adoption in one issue of the official journal of the Town, provided that the exhibits to this ordinance (the form of Bond and Agreements) need not be published but will instead be available for public inspection at the office of the Clerk during regular business hours on weekdays.

For a period of thirty (30) days from the date of such publication any persons interested shall have the right to contest the legality of this ordinance or of the Bond and the provisions securing the Bond. After the expiration of said thirty (30) days, no shall have any right of action to contest the validity of the Bond or the provisions of this ordinance, and the Bond shall be conclusively presumed to be legal, and no court shall thereafter have authority to inquire into such matters.

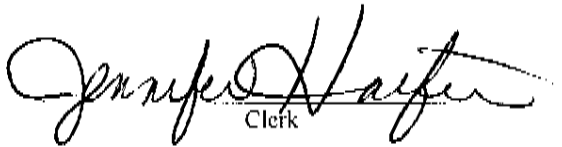
SECTION 9. No Recourse on the Bond. No recourse shall be had for the payment of the Bonds or for any claim based thereon or on this ordinance against any member of the Governing Authority or officer of the Town or any person executing the Bond.

SECTION 10. EFFECTIVE DATE. This ordinance shall take effect immediately.

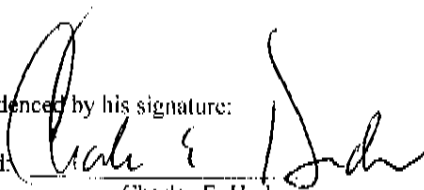
The foregoing ordinance having been submitted to a vote, the vote thereon was as follows:

Board of Aldermen	Yea	Nay	Absent	Abstaining
Cheryl Arnold	X	---	---	---
Carolyn Rhodes	---	---	X	---
David Eaves	X	---	---	---
Beaver B. Knighton	X	---	---	---
Webb Stark	X	---	---	---

And the ordinance was adopted on this, the 10th day of August 2009.


Clerk

Presented to the Mayor on August 10, 2009 for action as evidenced by his signature:

Approved: 
Charles E. Hudson

Disapproved: _____
Charles E. Hudson

Presented to Clerk on August 10, 2009