

April 17, 2007

The City Council of the City of Sulphur, Louisiana, met in special session at its regular meeting place at City Hall, Sulphur, Louisiana, on April 17, 2007 at 4:30 p.m., after full compliance with the convening of said meeting with the following members present:

DRU ELLENDER, Council Representative of District 1
CHRIS DUNCAN, Council Representative of District 3
NANCY TOWER, Council Representative of District 4
STUART MOSS, Council Representative of District 5

ABSENT - MIKE KOONCE, Council Representative of District 2
(his wife had surgery)

After the meeting was called to order and the roll called with the above result, prayer was led by Mrs. Tower followed by the reciting of the Pledge of Allegiance led by Mrs. Ellender.

The first item on the agenda the presentation of 2007-2008 budget to City Council. Books were presented to each Councilman.

The next item on the agenda an introduction of ordinance adopting budget for fiscal year 2007-2008. Motion was made by Mrs. Tower seconded by Mr. Moss that the following ordinance be introduced:

AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF REVENUES
AND EXPENDITURES FOR THE FISCAL YEAR JULY 1, 2007 TO
JUNE 30, 2008, FOR THE CITY OF SULPHUR, LOUISIANA.

Motion was then made by Mrs. Tower seconded by Mr. Moss that the said ordinance be filed and remain on file with the Clerk of the Council, in final form, for public inspection and that the Mayor is hereby authorized and instructed to publish the Public Notice of Introduction of the above proposed ordinance in "The Southwest Daily News", the

official journal of the City of Sulphur, Louisiana, and that the said Notice of Introduction of the above ordinance is substantially in the following form:

PUBLIC NOTICE

PUBLIC NOTICE is hereby given, in accordance with Section 2-12B of the Home Rule Charter of the City of Sulphur, the following ordinance:

AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF REVENUES AND EXPENDITURES FOR THE FISCAL YEAR JULY 1, 2007 TO JUNE 30, 2008, FOR THE CITY OF SULPHUR, LOUISIANA.

A public hearing on said ordinance will be held at 5:00 p.m. on the 29th day of May, 2007, at City Hall in Sulphur, Louisiana.

CITY OF SULPHUR, LOUISIANA

BY: _____

CHRISTOPHER L. DUNCAN, Chairman

Motion carried.

The next item on the agenda a resolution calling a special election for July 21, 2007. Jay Delafield, Bonding Attorney, addressed the Council and stated that the City has previously done two tax increments. One for Don Shetler and one for Lowe's Home Improvement. This tax increment financing is a developmental tool to allow a governmental entity to do economic development with respect to private enterprises. In 2005 the Supreme Court came out with the "Bass Pro Shop" case. This case said that City's can do tax increment finances provided the sales taxes with which the City is dealing provides in the proposition the words "economic development". Without the wording "economic development" in the proposition, the City can't use sales tax to do a tax increment financing. Mr. Delafield also stated that the City could not use sales tax to help out any business locating here in Sulphur without this election.

Mrs. Tower asked if the City could use money from reserves to get over this hump. Mr. Delafield stated that when you go before the bonding commission they will ask you where you pulled this reserve money from or how did you accumulate these reserves. The answer would be sales tax, ad valorem property taxes, fees and surcharges. Therefore, the City can't do this without a vote of the people. Mrs. Tower asked if you had enough money could you use the interest off the sales tax, etc. Mr. Delafield stated that it would be interesting how you could convey that to the bond commission. You do have constitution and statutory authority to do economic development with some of your other revenue that is not generated by tax income.

Mrs. Tower stated that she is generally not for a TIF unless they are for primary jobs. She would be in favor of a TIF for a Stines or Home Builders since they were here since the Lowe's situation came about. For her to ask the voting public to vote on opening up their sales tax usage for any number of economic development activities, especially those for secondary jobs and not primary jobs, would not be something I would be supportive of. When you write it, you write it to open it up on a much broader level. Also, she stated that she wondered what the electorates likelihood is of being willing to pass such a amendment to their dedicated sales tax. She would like to figure out a way to help out Stines to expand and in a way that it will pass.

Mr. Delafield stated that he agreed with Mr. Clyde in saying that this way was the most clean, most upfront way to go about doing this. Bring it to the voters and be upfront with them and let them vote on it.

Mr. Moss stated that the Council needs to be open and accountable for this. Let the public have their vote.

At this time Dennis Stine addressed the Council and stated that the new Stines in Sulphur will be the approximate size of the Lake Charles store. It will cost an estimated \$10 million to construct. It will also bring in 50 new jobs with 40 associates in the corporate office. The Lowe's and Simon Mall TIF that was done by Mr. Delafield did not have to be done by a vote of the people. This will be done by the vote of the people which he thinks is very transparent and they are not opposed to that. They will bring jobs and prosperity to the community. He also stated that Stines is the 85th largest lumber dealer/home center in the country according to the 2005 figures. He thinks they will probably move up to the 65th largest.

Mrs. Tower stated that the Council would be asking the citizens to let the Council use their sales tax dollars for economic development and they are not clarifying what that would be used for. Mr. Delafield stated that the Council would be doing the exact same thing they did for Lowe's and Don Shetler. Mrs. Tower stated that she would prefer to limit it but she doesn't have that option. She said from the beginning that the only two secondary businesses that she would support giving a TIF to would be Stine's and Home Builders because they were adversely impacted by the TIF that was given to Lowe's and Don Shetler. If this is the only way she can help Stine's to level the playing field, then that's what she'll have to do. Mr. Clyde stated that the Council can only give what has been legislated. They will not be being doing anything out of the ordinary.

At this time Mr. Moss called for the previous question. Motion was made by Mrs. Tower seconded by Mr. Moss that the following resolution be adopted to-wit:

RESOLUTION NO. 1982, M-C SERIES

A RESOLUTION ORDERING AND CALLING A SPECIAL ELECTION TO BE HELD IN THE CITY OF SULPHUR, LOUISIANA, ON JULY 21, 2007, FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS RESIDING IN THE CITY QUALIFIED UNDER THE CONSTITUTION AND LAWS OF THE STATE OF LOUISIANA, A PROPOSITION TO AMEND AND SUPPLEMENT A SPECIAL SALES AND USE TAX OF ONE PERCENT (1%) UPON THE SALE AT RETAIL, THE USE, THE LEASE OR RENTAL, THE CONSUMPTION AND STORAGE FOR USE OR CONSUMPTION OF TANGIBLE PERSONAL PROPERTY AND ON SALES OF SERVICES IN THE CITY, AND THE AVAILS OF THE TAX, AFTER PAYMENT OF ALL COSTS OF LEVY AND COLLECTION, DEDICATED AND USED FOR IMPROVING STREETS, PUBLIC UTILITIES, FIRE PROTECTION, SEWERAGE DISPOSAL, WATER AND WASTE WATER SYSTEMS, ECONOMIC DEVELOPMENT AND OTHER OPERATING EXPENSES OF THE CITY AND WORKS OF PUBLIC IMPROVEMENT WITHIN THE CITY; AUTHORIZING INCURRING OF DEBT AND ISSUANCE OF BONDS IN VARIOUS SERIES FROM TIME TO TIME, TO BE SECURED BY AND PAYABLE FROM SAID TAX; AND MAKING APPLICATION TO THE STATE BOND COMMISSION AND UNITED STATES ATTORNEY GENERAL IN CONNECTION THEREWITH.

WHEREAS, it is deemed necessary and desirable by the City Council that the tax of one percent (1%) upon the sale at retail, the use, the lease or rental, the consumption and storage for use and consumption of tangible personal property and sales of services in the City of Sulphur, Louisiana, currently being levied and collected pursuant to the proposition approved in the election of July 17, 2004 (the "Tax"), be amended and supplemented to authorize use of the Tax revenues for purposes of economic development uses and activities within and for the City of Sulphur, Louisiana ("City"); and

WHEREAS, authority for the levy and collection of the Tax is granted to the City by Article VI, Section 29 of the Constitution of 1974 of the State of Louisiana, by Sub-Part D of Part I of Chapter 6 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:2711, *et seq.*), other constitutional and statutory authority supplemental thereto and the election conducted within the City on July 17, 2004;

WHEREAS, the City Council, governing authority of the City, levied the Tax approved by the City's electorate on July 17, 2004, and is currently collecting revenues arising from such levy, and desires to authorize use of revenues received from the levy of the Tax for purposes of economic development, in addition to the uses authorized by the City's electorate on July 17, 2004; and

WHEREAS, the City Council desires to provide for holding an election at which the proposition may be submitted,

NOW, THEREFORE, BE IT RESOLVED by the City Council, acting as the governing authority of the City of Sulphur, Louisiana:

SECTION 1. Subject to the approval of the Louisiana State Bond Commission, and under the authority conferred by Article VI, Section 29 of the Louisiana Constitution of 1974, by Sub-Part D of Part I of Chapter 6 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto, a special election be and is hereby called and ordered to be held in the City of Sulphur, Louisiana, on Saturday, the 21st day of July, 2007, between the hours of six (6:00) o'clock a.m. and eight (8:00) o'clock p.m., in compliance with the provisions of Chapter 6-A of Title 18 of the Louisiana Revised Statutes of 1950, as amended, and that at said special election there be submitted to all qualified electors of the City of Sulphur, Louisiana, entitled and qualified to vote at said election under the Constitution and laws of the United States and the State of Louisiana, the following proposition:

SALES TAX PROPOSITION

AN AMENDMENT TO THE 25-YEAR 1% SALES AND USE TAX APPROVED BY THE ELECTORATE OF THE CITY OF SULPHUR, LOUISIANA ON JULY 17, 2004 ("TAX"), AUTHORIZING USE OF A PORTION OF THE TAX REVENUES FOR PURPOSES OF ECONOMIC DEVELOPMENT USES AND ACTIVITIES WITHIN THE CITY OF SULPHUR, LOUISIANA.

Shall the City of Sulphur, Louisiana (the "City"), pursuant to Article 6, Section 29 of the Louisiana Constitution of 1974, and other Constitutional and statutory authority, amend and supplement the sales and use tax approved by the electorate of the City on July 17, 2004 (the "Tax"), to permit use of revenues received from levy and collection of the Tax, in addition to those purposes previously approved, for economic development uses and activities within the City?

SECTION 2. The polling places set forth in the Notice of Special Election in Section 4 hereof, be and the same are hereby designated as the polling places at which to hold such election.

SECTION 3. Officers designated or such substitutes as may be selected, designated and sworn in compliance with Sections 5, 6 and 7 of Act 18 of the Extra Session of 1975 of the Legislature of the State of Louisiana, and Sections 1286 through 1289 of Title 18 of the Louisiana Revised Statutes of 1950, as amended, shall hold the said election substantially in accordance with the general election laws of the State of Louisiana, except that the election is called and shall be conducted, canvassed, and promulgated, and notice thereof given in accordance with the procedures set forth in Chapter 6-A of Title 18 of the Louisiana Revised Statutes of 1950, as amended. The election officers shall make due returns of the election at a special meeting of the City Council, to be held at its regular meeting place, the City Hall, Sulphur, Louisiana, on **Monday, the 13th day of August, 2007, at 5:30 o'clock p.m.**, at which time the City Council will, then and there, in open and public session, examine and canvass the returns and declare the result of said special election. The compensation of election officials be and the same is hereby fixed at the sum as specified in Sections 424 and 425 of Title 18 of the Louisiana Revised Statutes of 1950, as amended. Assessed valuations shall not be voted in this election, and all qualified electors of the City of Sulphur, Louisiana are entitled to vote. Voting machines shall be used in this election and voters shall not be required to sign a ballot or vote assessed valuation of property. The permanent registration law of the State of Louisiana being in force in the City of Sulphur, Louisiana, said election shall be conducted in accordance with applicable provisions thereof.

SECTION 4. The Secretary of the City Council is hereby empowered authorized and directed to publish entirely separate and apart from any publication which may be made of this resolution once a week for four consecutive weeks with the first publication not less than forty-five days nor more than ninety days before the date of the election in the *Southwest Daily News*, a newspaper published daily in Sulphur, Louisiana, and having general circulation in the City of Sulphur, Louisiana, a Notice of Election, substantially in the following form:

**NOTICE TO VOTERS OF
SPECIAL SALES TAX ELECTION**

To the qualified electors of The City of Sulphur, Louisiana:

YOU ARE HEREBY NOTIFIED that on the 17th day of April, 2007, the City Council, acting as the governing authority of the City of Sulphur, Louisiana, ordered that a special election be held in the City of Sulphur on Saturday, the 21st day of July, 2007, for the purpose of submitting to all qualified electors of the City of Sulphur, Louisiana, the following proposition:

SALES TAX PROPOSITION

AN AMENDMENT TO THE 25-YEAR 1% SALES AND USE TAX APPROVED BY THE ELECTORATE OF THE CITY OF SULPHUR, LOUISIANA ON JULY 17, 2004 (“TAX”), AUTHORIZING USE OF A PORTION OF THE TAX REVENUES FOR PURPOSES OF ECONOMIC DEVELOPMENT USES AND ACTIVITIES WITHIN THE CITY OF SULPHUR, LOUISIANA.

Shall the City of Sulphur, Louisiana (the “City”), pursuant to Article 6, Section 29 of the Louisiana Constitution of 1974, and other Constitutional and statutory authority, amend and supplement the sales and use tax approved by the electorate of the City on July 17, 2004 (the “Tax”), to permit use of revenues received from levy and collection of the Tax, in addition to those purposes previously approved, for economic development uses and activities within the City?

Said election will be held at all polling places which are situated within the boundaries of the City of Sulphur, Louisiana.

All registered voters in each of the following precincts shall be eligible to vote on the proposition:

<u>PRECINCT</u>	<u>POLLING PLACE</u>
401	Calcasieu Parish Health Unit, 201 Edgar Street, Sulphur
402	Frasch Park Recreation Center, 400 Picard Road, Sulphur
403	Frasch Elementary School, 540 S. Huntington St., Sulphur
407	R. W. Vincent Elementary School, 1634 Beglis Parkway, Sulphur
408	T. D. McMurry Park Gymnasium, 300 South Hazel Street, Maplewood

ONLY THOSE REGISTERED VOTERS IN EACH OF THE FOLLOWING PRECINCTS WHO RESIDE WITHIN THE BOUNDARIES OF THE CITY OF SULPHUR, LOUISIANA, SHALL BE ELIGIBLE TO VOTE ON THE PROPOSITION:

<u>PRECINCT</u>	<u>POLLING PLACE</u>
400 (Part)	D. S. Perkins Elementary School, 565 North Crocker Street, Sulphur
404 (Part)	R. W. Vincent Elementary School, 1634 Beglis Parkway, Sulphur
405 (Part)	Center Circle Recreation Building, 80 Center Circle, Maplewood
406 (Part)	W. T. Henning Elementary School, 774 Henning Drive, Sulphur
461 (Part)	Mossville Recreation Center, 3825 Old Spanish Trail, Mossville
466 E (Part)	Carlyss Fire Station, 5151 Volunteer Road, Carlyss
467 (Part)	Carlyss Fire Station, 5151 Volunteer Road, Carlyss

The polls will be open at six (6:00) o'clock a.m. and shall remain open until not later than eight (8:00) o'clock p.m. The special election will be held substantially in accordance with the general election laws of the State of Louisiana, except that the election is called and shall be conducted, canvassed, and promulgated, and notice thereof given in accordance with the procedures set forth in Chapter 6-A of Title 18 of the Louisiana Revised Statutes of 1950, as amended. The officials appointed to hold the election or such substitutes therefor as may be selected, designated and sworn in compliance with Sections 1286 through 1289 of Title 18 of the Louisiana Revised Statutes of 1950, as amended, will make due returns thereof to the City Council, acting as the governing authority of the City of Sulphur, Louisiana. Voting machines will be used in the conduct of the election. All qualified electors of the City of Sulphur, Louisiana, will be entitled to vote. No voter shall be required to sign a ballot or vote assessed valuation of property.

Notice is hereby given that on Monday, the **13th day of August, 2007, at 5:30 o'clock p.m.**, the City Council will meet in open and public session at the City Hall, Sulphur, Louisiana, and will, then and there, in open and

public session, examine and canvass the returns and declare the results of said election.

THUS DONE AND SIGNED in Sulphur, Louisiana, by authority of a Resolution adopted by the City Council, acting as the governing authority of the City of Sulphur, Louisiana, on the 17th day of April, 2007.

/s/ Chris Duncan
CHIRS DUNCAN, Chairman
City Council

ATTEST:

/s/ Arlene Blanchard
ARLENE BLANCHARD
Clerk of the Council

SECTION 5. The Chairman of the City Council be and he is hereby empowered, authorized and directed to arrange for the furnishing to the election officers, in ample time for the holding the election the necessary equipment, forms and other election paraphernalia essential to the proper holding of said election.

SECTION 6. Application is hereby formally made to the State Bond Commission, Baton Rouge, Louisiana, in compliance with the requirements of Chapter 2, Title 47 of the Louisiana Revised Statutes of 1950, as amended, and in compliance with Article 7, Section 8(B) of the Constitution of 1974 of the State of Louisiana, and other Constitutional and statutory authority supplemental thereto, for consent, approval and authority to hold the aforesaid election in the City of Sulphur, Louisiana, and in the event the Proposition carries, under the provisions of Article 6 Section 29 of the Constitution of 1974 of the State of Louisiana, and Sub-Part D of Part I of Chapter 6 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other Constitutional and statutory authority supplemental thereto, for its consent and authority to levy and collect the tax therein provided. The Chairman is empowered, authorized and requested to forward to the State Bond Commission a certified copy of this resolution which shall constitute a formal application to said Commission as herein provided.

SECTION 7. A certified copy of this resolution, together with other showings required by Section 5 of the Voting Rights Act of 1965 and Regulations pertaining thereto (28 C.F.R. Part 51) shall be submitted to the United States Attorney General, for approval in compliance with the said Voting Rights Act, should such a submission be required.

SECTION 8. Certified copies of this Resolution shall be forwarded to the Secretary of State, the Commissioner of Elections, the Clerk of Court and Ex-Officio Custodian of Voting Machines in and for the Parish of Calcasieu, and the Registrar of Voters, as notification of the special election herein called in order that each may prepare for said election and perform their respective functions as authorized and required by law.

SECTION 9. By virtue of the Issuer's application for, acceptance and utilization of the benefits of Bond Commission's approval(s) resolved and set forth herein, the Issuer resolves that it 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 Produces Hedges, Etc.," adopted by the Commission on July 20, 2007, 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 products(s) or enhancement(s) covered thereby.

A vote was then called with the results as follows:

YEAS: Mrs. Ellender, Mr. Duncan, Mrs. Tower, Mr. Moss

NAYS: None

ABSENT: Mr. Koonce

And the said resolution was declared duly adopted on this 17th day of April, 2007.

ATTEST:

ARLENE BLANCHARD, Clerk

CHRISTOPHER L. DUNCAN, Chairman

The next item on the agenda a resolution authorizing the employment of Special Counsel. Motion was made by Mr. Moss seconded by Mrs. Tower that the following resolution be adopted to-wit:

RESOLUTION NO. 1983, M-C SERIES

**A RESOLUTION FOR THE EMPLOYMENT OF
SPECIAL BOND COUNSEL.**

BE IT RESOLVED by the City Council, acting as the governing authority of the City of Sulphur, Louisiana, as follows:

SECTION 1. There being a real public necessity for the retention and employment of legal counsel to provide specialized legal services as described in Section 2 hereof, in connection with the conduct of a special election within the City of Sulphur, Louisiana, on July 21, 2007, and it appearing that the public interest requires obtaining of such specialized legal services, Joseph A. Delafield, A Professional Corporation ("Bond Counsel"), is hereby employed in accordance with the provisions of this resolution.

SECTION 2. Legal services to be provided hereunder include comprehensive legal and coordinate professional work described in Paragraphs (A) through (K) as follows:

- (A) drafting and submitting to the Issuer all proceedings, documents and forms necessary in connection with the calling and ordering of the election on July 21, 2007;
- (B) assisting officials of the Issuer and Commissioners and Clerks of Election in conducting the election and in canvassing the result thereof; and
- (C) processing applications for approval of bond election and issuance of the Bonds by state boards and federal authorities having jurisdiction, including the Civil Rights Section of the Department of Justice of the United States.

SECTION 3. It is intended that acceptance and approval of this resolution by entering upon performance by Joseph A. Delafield, A Professional Corporation, of the legal services provided for herein, shall constitute this resolution a contract in accordance with the provisions hereof.

A vote was then called with the results as follows:

YEAS: Mrs. Ellender, Mr. Duncan, Mrs. Tower, Mr. Moss

NAYS: None

ABSENT: Mr. Koonce

And the said resolution was declared duly adopted on this 17th day of April, 2007.

ATTEST:

ARLENE BLANCHARD, Clerk

CHRISTOPHER L. DUNCAN, Chairman

The next item on the agenda an introduction of ordinance accepting Forest Park Garden Homes Subdivision Phase II. Mr. Bergeron stated that Mr. Palermo would like for the Council to approve this subdivision, with provisions, so he can sell some lots. There are provisions stated in the ordinance that will need to be complete prior to the public hearing. The curbs on the streets weren't done correctly so the City may have to have a long term warranty or the Council could make the developer fix them before they

accept the subdivision. Mr. Palermo stated that the provisions in the ordinance should all be complete by the public hearing. Motion was made by Mrs. Tower seconded by Mr. Moss that the following ordinance be introduced:

AN ORDINANCE ACCEPTING (WITH PROVISIONS) FOREST PARK GARDEN HOMES SUBDIVISION, PHASE II AS A SUBDIVISION IN THE CITY OF SULPHUR, LOUISIANA.

Motion was then made by Tower seconded by Mr. Moss that the said ordinance be filed and remain on file with the Clerk of the Council, in final form, for public inspection and that the Mayor is hereby authorized and instructed to publish the Public Notice of Introduction of the above proposed ordinance in "The Southwest Daily News", the official journal of the City of Sulphur, Louisiana, and that the said Notice of Introduction of the above ordinance is substantially in the following form:

PUBLIC NOTICE

PUBLIC NOTICE is hereby given, in accordance with Section 2-12B of the Home Rule Charter of the City of Sulphur, the following ordinance:

AN ORDINANCE ACCEPTING (WITH PROVISIONS) FOREST PARK GARDEN HOMES SUBDIVISION, PHASE II AS A SUBDIVISION IN THE CITY OF SULPHUR, LOUISIANA.

A public hearing on said ordinance will be held at 5:30 p.m. on the 14th day of May, 2007, at City Hall in Sulphur, Louisiana.

CITY OF SULPHUR, LOUISIANA

BY: _____
CHRISTOPHER L. DUNCAN, Chairman

Motion carried.

There being no further business to come before the Council, the Chairman declared the meeting adjourned.

ATTEST:

ARLENE BLANCHARD, Clerk

CHRISTOPHER L. DUNCAN, Chairman

4/17/07
5:30 P.M.