MINUTES OF REGULAR MEETING

MONTGOMERY COUNTY COMMISSION

MAY 4, 2015

INFORMATION SESSION

Chairman Dean called the meeting to order at 8:13 a.m. The meeting was held at the Montgomery County Administration Building and Courthouse Annex III.

The meeting was opened with prayer led by Commissioner Williams. All five Commissioners were present.

COMMENTS FROM SCHEDULED ATTENDEES, STAFF AND COMMISSIONERS

COMMENTS FROM ADMINISTRATOR MIMS

Administrator Mims briefed the Commission on scheduled attendees.

COMMENTS FROM PUBLIC AFFAIRS DIRECTOR DIDI HENRY

Public Affairs Director DiDi Henry reminded the Commission about today's Alabama Update Luncheon with Governor Bentley at 11:30 a.m., followed by the 1:45 p.m. meeting with the Montgomery Legislative Delegation to discuss proposed legislation.

COMMENTS FROM ADMINISTRATOR MIMS

Administrator Mims briefed the Commission regarding items on the agenda.

DISCUSSION BY THE COMMISSION

Commissioner Hall requested a $900 miscellaneous appropriation from his account to the City of Montgomery to be used by BONDS to support the Halcyon South Homeowners Association, with funding to promote the community enhancement and beautification programs/projects.

The Commission agreed to add this item to the miscellaneous appropriations.

Commissioner Williams briefed the Commission regarding a request for funding from Sidney Lanier High School for Volleyball Camp. After discussion, the Commission agreed to waive rules and add a Budget Change Request in the amount of $500 for this event to the agenda.

Chairman Dean briefed the Commission regarding a request for funding from the Medical Academy at Brewbaker Technology Magnet High School for students to attend the 2015 National Health Occupations Students of America Conference in Anaheim, California. After discussion, the Commission agreed to waive rules and add a Budget Change Request in the amount of $1,200 for this event to the agenda.

PRESENTATION BY MANAGING DIRECTOR MIKE DUNN WITH STIFEL, EXECUTIVE VICE PRESIDENT NEILL WRIGHT WITH LIBERTY BANK, ATTORNEY SCOTT PIERCE WITH CAPELL & HOWARD, P.C. AND ATTORNEY CLINTON GRAVES WITH GILPIN GIVHAN, PC

Managing Director Mike Dunn with Stifel informed the Commission that the Montgomery County Public Education Cooperative District will close on May 5, 2015 regarding the issuance of a general obligation warrant of the County in connection with the issuance of $25,170,000 in principal amount of limited obligation revenue bonds, series 2015. Mr. Dunn stated that the County's portion will not exceed $1,080,000 per year. Mr. Dunn provided price comps of other Bond Issues that closed in Alabama in 2015. (Copies of Presentation Handouts, Agenda Pages 15-1 and 15-2, are attached to these Minutes.)

Attorney Scott Pierce with Capell & Howard, P.C. briefed the Commission regarding a Resolution, which was on the agenda. He stated that the Resolution approves and authorizes the execution and delivery by Montgomery County Commission of a Funding Agreement and the issuance of a related General Obligation Warrant of the County.

Attorney Pierce briefed the Commission regarding the County Government Bond Financing Review Form. (Copy of County Government Bond Financing Review Form, Agenda Pages 16-1 through 16-6, is attached to these Minutes.)

The Commission thanked Mr. Dunn, Attorney Pierce, Executive Vice President Neill Wright with Liberty Bank, and Attorney Clinton Graves with Gilpin Givhan, PC for all of their work on this project.

Commissioner Williams thanked Mr. Wright for organizing the Alabama Kidney Foundation fundraiser and for recognizing the funding contribution by the Montgomery County Commission to the organization.

PRESENTATION BY PROBATE JUDGE STEVEN L. REED AND CHIEF PROBATE CLERK WILLIAM FLOWERS

Chief Probate Clerk William Flowers briefed the Commission regarding Budget Change Request Number 6 for the Probate Judge's Office. After discussion, the Commission agreed to waive rules and add this item to the agenda.

Probate Judge Steven L. Reed briefed the Commission regarding a proposed legislative agenda item relating to Montgomery County to authorize the Judge of Probate to charge a total issuance fee of fifteen dollars for a business license; and to authorize the assessment of a late fee of one hundred fifty dollars after a business license has been past due for more than 10 days. Judge Reed stated that he is still working on this proposed item and hopes to have a final proposal by the next Commission meeting.

PRESENTATION BY CHIEF INFORMATION AND TECHNOLOGY OFFICER LOU IALACCI

Chief Information and Technology Officer Lou Ialacci stated that he did not have anything to report.

PRESENTATION BY COUNTY ENGINEER GEORGE SPEAKE

County Engineer George Speake briefed the Commission regarding two County Road Equipment Operator II positions and one County Road Equipment Operator I position. He stated that this request was due to retirements of two employees at the District I maintenance facility on Terminal Road and retirement of one employee at the District III maintenance facility in Ramer. After discussion, the Commission agreed to place these three position fill requests on the next agenda.

Also, Mr. Speake advised that the bid opening for the resurfacing of various county roads project is scheduled for May 5, 2015, and the bid opening for resurfacing Mt. Zion Road is scheduled for the June 26, 2015, ALDOT letting.

PRESENTATION BY REVENUE MANAGER TERRI HENDERSON

Revenue Manager Terri Henderson briefed the Commission regarding an existing Agreement with PRA Government Services, LLC d/b/a Revenue Discovery Systems (RDS), which expires May 15, 2015. Mrs. Henderson expressed that it is not in the Commission's best interest to renew the agreement due to the decline in the rate of return. Mrs. Henderson recommended assigning more external audits to River Tree Systems, Inc., which has an existing agreement with the Commission and/or adding a new revenue auditor to the Tax and Audit Department. After discussion, the Commission agreed for Mrs. Henderson to provide a cost analysis and comparison of a new auditor position and the costs associated with an external audit service at a future Commission meeting.

Mrs. Henderson explained to the Commission that the decrease in sales and use tax collections that Montgomery experienced during the month of March 2015 was due to purchasing activities of four of the top fifty taxpayers in prior year month of March 2014.

PRESENTATION BY SHERIFF DERRICK CUNNINGHAM

Sheriff Derrick Cunningham briefed the Commission regarding the establishment of a Deputy Sheriff Major classification, Pay Grade PS6 and related Position Fill Request from the Sheriff's Office.

Sheriff Cunningham briefed the Commission regarding moving the Assistant Chief Deputy Sheriff and Detention Facility Director to Pay Grade A12 of the Administrative Pay Plan.

After discussion, the Commission agreed to place these items on the next agenda.

PRESENTATION BY REVENUE COMMISSIONER JANET BUSKEY

Revenue Commissioner Janet Buskey briefed the Commission regarding a Contract for Professional Services with Dominion Legacy, Inc., regarding the 2014 Tax Sale. After discussion, the Commission agreed to place this item on the next agenda.

COMMENTS FROM ADMINISTRATOR MIMS

Administrator Mims presented Budget Change Request Number 3 from the Personnel Department. After discussion, the Commission agreed to waive rules and add this item to the agenda.

DISCUSSION BY THE COMMISSION

Commissioner Hall requested a $500 miscellaneous appropriation from his account to BOE, Brewbaker Intermediate School for the Principal's Discretionary Fund.

Commissioner Walker briefed the Commission regarding a funding request for the BONDS National Night Out event to be held May 21, 2015. After discussion, Chairman Dean, Vice Chairman Harris and Commissioners Walker, Williams and Hall requested a $250 miscellaneous appropriation from each of their accounts for this event.

The Commission agreed to add this item to the miscellaneous appropriations.

COMMENTS FROM DEPUTY ADMINISTRATOR CAUTHEN

Deputy Administrator Cauthen briefed the Commission regarding Change Order Number 1 with Bear Brothers, Inc., concerning authorization of a twenty-one day extension of time to their contract for renovations to the Youth Facility. After discussion, the Commission agreed to waive rules and add this item to the agenda.

Deputy Administrator Cauthen briefed the Commission regarding a proposal from Public Financial Management regarding financial advisory services. After discussion, the Commission agreed to waive rules and add this item to the agenda.

COMMENTS FROM ADMINISTRATOR MIMS

Administrator Mims presented Amendment Number 2 to Contract with CLS Service for inmate laundry service for the Detention Facility, Contract Number 52200-13B-007. After discussion, the Commission agreed to place this item on the next agenda.

Administrator Mims presented Amendment Number 2 to Contract with American Amenities, Inc., for admission kits and indigent hygiene kits for the Detention Facility, Contract Number 52200-13B-008. After discussion, the Commission agreed to place this item on the next agenda.

Administrator Mims presented Amendment Number 1 to Contract with Climate Service, Inc., for preventive maintenance services on the heating, ventilation, air conditioning and controls for the Detention Facility, Contract Number 51901-14B-004. After discussion, the Commission agreed to place this item on the next agenda.

Administrator Mims presented Amendment Number 1 to Contract with Signs Now for Graphics & Lettering for Sheriff Vehicles, Contract Number 52110-14B-007. After discussion, the Commission agreed to place this item on the next agenda.

Administrator Mims presented a proposal to convert Voting Precinct 106 into two precincts in District One. Vice Chairman Harris briefed his fellow Commissioners regarding the conversion. He stated that he would need to do more research and would report back at a future meeting.

Administrator Mims reminded the Commission of the letter from the Alabama Department of Revenue regarding the nomination of persons for consideration as members of the County Board of Equalization. He noted that during the April 20, 2015 County Commission meeting, Commissioner Williams nominated Arthur Steineker and Vice Chairman Harris nominated Ed Collier. Administrator Mims stated that after the last meeting, Chairman Dean mentioned Shirley Hoffman Moore for consideration. No action was taken by the Commission.

DISCUSSION BY THE COMMISSION

Commissioner Walker discussed a Resolution, which was on the agenda, regarding authorization for County Attorneys to hire contract attorneys as needed and inquired as to how the county will regulate the contract attorneys. Chairman Dean responded that the Resolution states that county attorneys shall advise the County Administrator in writing and in advance whenever contract attorneys are assigned to a county matter.

RECESS TO FORMAL SESSION

Chairman Dean recessed the Information Session to the Formal Session.

FORMAL SESSION

Chairman Dean welcomed everyone to the Formal Session.

The meeting was opened with prayer led by Ken Peavey of First Baptist Church at the request of Commissioner Walker.

The Pledge of Allegiance was led by Commissioner Williams.

County Administrator Mims called Roll to establish a quorum, and the following Commissioners were present: Chairman Dean, Vice Chairman Harris and Members Hall, Walker, and Williams. Also present were County Attorney Thomas T. Gallion, III and County Engineer George C. Speake.

Commissioner Williams made a motion to approve the Minutes of the Regular Meeting of April 20, 2015. The motion was seconded by Commissioner Hall and unanimously approved by the Commission.

CONSENT AGENDA

Administrator Mims presented the Accounts Payable and Payroll Checks Authorization for approval.

Commissioner Williams made a motion to approve the Accounts Payable and Payroll Checks, as presented by Administrator Mims. The motion was seconded by Commissioner Hall. Chairman Dean, Vice Chairman Harris, Commissioner Hall and Commissioner Williams voted in favor of the motion. Commissioner Walker voted in opposition and the motion carried. (Copies of Accounts Payable Checks and Payroll Checks Authorization, Consent Agenda Pages 1 through 5, are attached to these Minutes.)

NEW BUSINESS

COUNTY COMMISSION – ADOPTED RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY BY MONTGOMERY COUNTY COMMISSION OF A FUNDING AGREEMENT AND THE ISSUANCE OF A RELATED GENERAL OBLIGATION WARRANT OF THE COUNTY IN CONNECTION WITH THE ISSUANCE OF $25,170,000 IN PRINCIPAL AMOUNT OF LIMITED OBLIGATION REVENUE BONDS, SERIES 2015, BY THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT TO FUND A PORTION OF THE COSTS OF VARIOUS PUBLIC SCHOOL CAPITAL IMPROVEMENTS, AND RELATED MATTERS

Administrator Mims presented the following letter from Scott Pierce of Capell & Howard P.C. Attorneys at Law:

April 29, 2015

VIA HAND DELIVERY
Donnie Mims
County Administrator
101 South Lawrence Street
Montgomery, AL 36104

Re: The Montgomery County Public Education Cooperative District

Dear Mr. Mims:

In connection with the bonds proposed to be issued by The Montgomery County Public Education Cooperative District to provide funds for capital improvements at the Montgomery County Board of Education's projects at the Montgomery Mall and Park Crossing sites, please find a proposed resolution for consideration by the County Commission.

The resolution authorizes the County's participation in the proposed financing and specifically authorizes the execution and delivery of a funding agreement and the issuance of a general obligation warrant of the County, and approves the County-related information included in the offering documents prepared with respect to the proposed bond issue. The resolution is substantially identical to that submitted for the April 20 meeting of the Commission, except that data reflecting the final pricing of the bond issue has been included.

Please accept the resolution for placement on the agenda for the Commission's meeting on May 4, 2015. We request that the Commission approve and adopt the resolution at this meeting in anticipation of the closing of the bond issue on May 6.

Please let me know if you have any questions or would like to discuss.

Sincerely yours,

/s/ Scott Pierce

End of Letter

Vice Chairman Harris made a motion to adopt the resolution approving and authorizing the execution and delivery by Montgomery County Commission of a Funding Agreement and the issuance of a related General Obligation Warrant of the County in connection with the issuance of $25,170,000 in principal amount of limited obligation revenue bonds, series 2015, by the Montgomery County Public Education Cooperative District to fund a portion of the costs of various public school capital improvements, and related matters. The motion was seconded by Commissioner Walker and unanimously approved by the Commission. (Copies of Resolution, Schedule 1, Appendixes A, B, C, D, E, F, and Schedule 2 Funding Agreement, Exhibits A, B, C, and Schedule 3 Continuing Disclosure Agreement, Agenda Pages 1-2 through 1-94, are attached to these Minutes.)

<u>COUNTY COMMISSION – ADOPTED RESOLUTION AUTHORIZING COUNTY ATTORNEYS TO HIRE CONTRACT ATTORNEYS</u>

Administrator Mims presented the following letter from County Attorney Tyrone C. Means:

April 22, 2015

[VIA EMAIL AND REGULAR MAIL]
Donald Mims
County Administrator
Montgomery County Commission
Post Office Box 1667
Montgomery, Alabama 36102-1667

Re: MCC: Resolution regarding Payment of Contract Lawyers Associated with the Law Firms of the County Attorneys

Dear Donnie:

We appreciate the opportunity to present our case to the Montgomery County Commission with regard to the attached resolution at the meeting on April 20, 2015.

Based upon the questions asked, I assume that some of the members of the commission are unfamiliar with the usage of contract attorneys by the law firms. I did a quick Google search regarding contract lawyers and I got 2,380,000 hits. Articles have been written and published in the various lawyer magazines including the American Bar Association Journal. Two areas that many law firms utilize contract attorneys for includes research and writing (such as brief writing) and appellate practice. In this instance that is precisely what our firm has done.

That said, the resolution is offered so that there will be a clear understanding between the county and its county attorneys regarding the usage of contract attorneys.

Sincerely yours,

MEANS GILLIS LAW, LLC

/s/ Tyrone C. Means

cc: Tommy Gallion (via email)

End of Letter

Vice Chairman Harris made a motion to adopt the resolution authorizing County Attorneys to hire contract attorneys. The motion was seconded by Commissioner Hall and unanimously approved by the Commission. (Copy of Resolution, Agenda Pages 2-2 and 2-3, is attached to these Minutes.)

<u>WAUGH-MOUNT MEIGS VOLUNTEER FIRE PROTECTION AUTHORITY – APPROVED BOARD MEMBER REAPPOINTMENT</u>

Administrator Mims presented the following memorandum:

April 21, 2015

<u>MEMORANDUM</u>

TO: Montgomery County Commission

FROM: Donald L. Mims
County Administrator

SUBJECT: Board Member Reappointment to the Waugh-Mount Meigs Volunteer Fire Protection Authority

On March 1, 2015, the term of Mr. Lindsey Ray expired as a board member of the Waugh-Mount Meigs Volunteer Fire Protection Authority. Mr. Ray has consented to be reappointed to this Authority.

The Montgomery County Commission, at its meeting on April 20, 2015, agreed to place this reappointment on the next agenda.

I am requesting that the Commission approve this reappointment.

Attachment

End of Memorandum

Commissioner Hall made a motion to reappoint Lindsey Ray for a term expiring March 1, 2021. The motion was seconded by Vice Chairman Harris and unanimously approved by the Commission. (Copies of Letter and Board Members' Appointment Page, Agenda Pages 3-2 and 3-3, are attached to these Minutes.)

COUNTY COMMISSION – APPROVED PURCHASE AND SALE AGREEMENT REGARDING 1.42 ACRES OF LAND LOCATED ON U.S. HIGHWAY 331 NEAR SNOWDOUN PARK OWNED BY CHRISTINA HOWELL PIRTLE

Administrator Mims presented a memorandum from Deputy Administrator Florence M. Cauthen:

April 16, 2015

MEMORANDUM

TO: Montgomery County Commission

FROM: Florence M. Cauthen, Deputy Administrator

SUBJECT: Purchase and Sale Agreement for Pirtle Property

Attached is a Purchase and Sale Agreement for the purchase from Christina Pirtle of 1.42 acres adjacent to Snowdoun Park. The purchase price is $17,040.00. Acquisition of the property will allow the County to expand parking and improve access to the park.

I request that the agreement be placed on a future agenda for approval.

End of Memorandum

Commissioner Williams made a motion to approve the request. The motion was seconded by Commissioner Hall and unanimously approved by the Commission. (Copies of Purchase and Sale Agreement, Map, and Exhibit B, Agenda Pages 4-2 through 4-10, are attached to these Minutes.)

COUNTY COMMISSION – APPROVED COMMENCEMENT OF TERM AGREEMENT WITH EAST MONTGOMERY INVESTMENT COMPANY REGARDING PROBATE/REVENUE COMMISSIONER EAST OFFICE

Administrator Mims presented a memorandum from Deputy Administrator Florence M. Cauthen:

April 16, 2015

MEMORANDUM

TO: Montgomery County Commission

FROM: Florence M. Cauthen, Deputy Administrator

SUBJECT: Commencement of Term Agreement for Probate/Revenue Commissioner East Office

The Commission executed a lease agreement for Probate/Revenue Commissioner East Office on February 21, 2012, and agreed to execute a Commencement of Term Agreement at a later date to establish the commencement date, based on completion of certain repairs and improvements. In addition, the lease agreement provided for an abatement of rent in the amount of $15,000.

The attached document affirms that the commencement date was July 1, 2012, and that the termination date of the first term is October 31, 2017. The document also establishes the rent abatement period.

I request that the agreement be placed on a future agenda for approval.

End of Memorandum

Commissioner Hall made a motion to approve the request. The motion was seconded by Vice Chairman Harris and unanimously approved by the Commission. (Copies of Letter and Commencement of Term Agreement, Agenda Pages 5-2 through 5-5, are attached to these Minutes.)

COUNTY COMMISSION – APPROVED MISCELLANEOUS APPROPRIATIONS REPROGRAMMING REQUESTS

Administrator Mims requested approval of the following miscellaneous appropriations reprogramming requests:

May 4, 2015

MEMORANDUM

TO: Montgomery County Commission

FROM: Donald L. Mims, County Administrator

SUBJECT: Miscellaneous Appropriations Reprogramming Requests

I am requesting authority to reprogram the following from fund code 001-59320-498 (Agency, Miscellaneous Appropriations) and to sign the contract:

C-2015-65: The Samaritan Counseling Center, Inc. for Mental Health Services - $1,500; (Walker)

NC-2015-94: City of Montgomery, to be used by BONDS to Support the Halcyon South Homeowners Association, with Funding to Promote the Community Enhancement and Beautification Programs/Projects - $900; (Harris)

End of Memorandum

During the County Commission Meeting this date, Chairman Dean requested that the Following Miscellaneous Appropriations Reprogramming Requests be added and his fellow Commissioners concurred:

NC-2015-94: Amended Miscellaneous Appropriation, City of Montgomery, to be used by BONDS to Support the Halcyon South Homeowners Association, with Funding to Promote the Community Enhancement and Beautification Programs/Projects - $900; (Harris)

NOTE: Commissioner Hall requested to add $900 of his discretionary money, for a total of $1,800 appropriated to Halcyon South Homeowners Association for Promoting the Community Enhancement and Beautification Programs/Projects.

NC-2015-95: BOE, Brewbaker Intermediate School, for Principal's Discretionary Fund- $500; (Hall)

Vice Chairman Harris made a motion to approve the requests. The motion was seconded by Commissioner Hall and unanimously approved by the Commission.

VARIOUS DEPARTMENTS – APPROVED TRAVEL/TRAINING REQUESTS (9)

Administrator Mims recommended the following Travel/Training Requests for approval by the Commission:

DEPARTMENT		TRAVEL/TRAINING REQUESTS
1.	Public Affairs Department	Request Numbers 13, 14, and 15
2.	Probate Judge's Office	Request Number 7
3.	Board of Registrars	Request Number 1
4.	Sheriff's Office	Request Number 28
5.	Detention Facility	Request Number 12
6.	Appraisal Department	Request Number 20
7.	Personnel Department	Request Number 12

Commissioner Williams made a motion to approve the requests. The motion was seconded by Commissioner Walker and unanimously approved by the Commission. (Copies of Travel/Training Requests, Agenda Pages 7-1 through 7-9, are attached to these Minutes.)

WAIVE RULES

Chairman Dean requested to waive rules and add the following items to the agenda, and his fellow Commissioners concurred:

VARIOUS DEPARTMENTS – APPROVED BUDGET CHANGE REQUESTS (2)

Administrator Mims recommended the following Budget Change Requests for approval by the Commission:

DEPARTMENT		BUDGET CHANGE REQUESTS
1.	Probate Judge's Office	Request Number 6
2.	Personnel Department	Request Number 3

Commissioner Williams made a motion to approve the requests. The motion was seconded by Vice Chairman Harris and unanimously approved by the Commission. (Copies of Budget Change Requests, Agenda Pages 8-1 and 8-2, are attached to these Minutes.)

YOUTH FACILITY – APPROVED CHANGE ORDER NUMBER 1 WITH BEAR BROTHERS, INC., CONCERNING AUTHORIZATION OF A TWENTY-ONE DAY EXTENSION OF TIME TO ITS CONTRACT FOR RENOVATIONS TO THE YOUTH FACILITY

April 29, 2015

MEMORANDUM

TO: Montgomery County Commission

FROM: Florence M. Cauthen, Deputy Administrator

SUBJECT: Youth Facility Renovations

Attached is a request from Bear Brothers, Inc., to amend its contract for Montgomery County Youth Facility renovations to add 21 calendar days. The addition of days has no financial impact on the contract and does not otherwise impact the operations of the Youth Facility.

I recommend that the Commission waive rules and approve Change Order No. 1.

End of Memorandum

Commissioner Williams made a motion to approve the request. The motion was seconded by Vice Chairman Harris and unanimously approved by the Commission. (Copies of Letter, Transmittal, Change Order Justification, and Contract Change Order, Agenda Pages 9-2 through 9-6, are attached to these Minutes.)

COUNTY COMMISSION – APPROVED PROPOSAL FROM PUBLIC FINANCIAL MANAGEMENT REGARDING FINANCIAL ADVISORY SERVICES

Administrator Mims presented a memorandum from Deputy Administrator Florence M. Cauthen:

April 29, 2015

MEMORANDUM

TO: Montgomery County Commission

FROM: Florence M. Cauthen, Deputy Administrator

SUBJECT: Financial Advisory Services

Attached is a proposal from Philip Dotts, Managing Director of Public Financial Management (PFM), to provide financial advisory services for the potential refunding of Series 2007 General Obligation Warrants. The County can realize significant present value savings by refunding a portion of the warrants; however, our staff lacks the expertise to analyze refunding projections and to provide the Commission with the information it needs to make an informed decision.

PFM will represent only the Montgomery County Commission and will provide financial advisory services, independent of the underwriter, ensuring the best results for the county. The engagement of an independent financial advisor is a GFOA Best Practice and a Good Practice of Rule G-23 of Dodd-Frank.

According to Thomson Reuters, PFM has been the nation's leading financial advisor for the past 17 consecutive years. Its clients include the State of Alabama, City of Opelika, Mobile County, City of Mobile, and the City of Auburn. PFM's regional office is located in Huntsville.

Administrator Donald Mims and Finance Director Sherrill Thomas join me in recommending that the County Commission waive rules and approve the attached proposal to expedite a decision on a possible refunding while market conditions are favorable.

End of Memorandum

Commissioner Walker made a motion to approve the request. The motion was seconded by Commissioner Williams and unanimously approved by the Commission. (Copies of Letter of Proposal and Presentation Documents, Agenda Pages 10-2 through 10-8, are attached to these Minutes.)

COUNTY COMMISSION APPROPRIATIONS – APPROVED BUDGET CHANGE REQUEST NUMBER 29, FOR $500 TO MONTGOMERY BOARD OF EDUCATION FOR SIDNEY LANIER HIGH SCHOOL, FOR VOLLEYBALL PROGRAM

Administrator Mims requested approval of Budget Change Request Number 29, County Commission Appropriations.

Commissioner Williams made a motion to approve the request. The motion was seconded by Vice Chairman Harris and unanimously approved by the Commission. (Copy of Budget Change Request, Agenda Page 11-1, is attached to these Minutes.)

COUNTY COMMISSION APPROPRIATIONS – APPROVED BUDGET CHANGE REQUEST NUMBER 29, FOR $1,200 TO MONTGOMERY BOARD OF EDUCATION FOR BREWBAKER TECHNOLOGY MAGNET HIGH SCHOOL, FOR THE MEDICAL ACADEMY TO ATTEND 2015 NATIONAL HEALTH OCCUPATIONS STUDENTS OF AMERICA CONFERENCE IN ANAHEIM, CALIFORNIA

Administrator Mims requested approval of Budget Change Request Number 29, County Commission Appropriations.

Vice Chairman Harris made a motion to approve the request. The motion was seconded by Commissioner Hall and unanimously approved by the Commission. (Copy of Budget Change Request, Agenda Page 12-1, is attached to these Minutes.)

COMMENTS BY COMMISSIONERS AND ATTENDEES

Chairman Dean requested Sheriff Cunningham to introduce Corporal Kofee Anderson, recipient of the D.A.R.E. Officer of the Year Award. Sheriff Cunningham stated that Corporal Anderson has taught the D.A.R.E. Program, which stands for Drug Abuse Resistance Education, in Montgomery public and private schools for the past 15 years. He said that this program teaches youth about substance abuse and prevention. Sheriff Cunningham said it is his pleasure to introduce Corporal Kofee Anderson, the first ever in Montgomery County to be named D.A.R.E. Officer of the Year. Corporal Anderson said that it is truly an honor to receive this award. He appreciates the support and recognition and he looks forward to teaching for several more years.

Commissioner Williams thanked Corporal Anderson for all his hard work. He also thanked the Commission as a whole for their support of the Kidney Foundation. He stated that the foundation raised approximately $100,000 and had approximately 200 people participate in its recent walk-a-thon.

Commissioner Walker stated that she attended the 908th Airlift Wing Civic Leader Tour with Maxwell AFB at the MacDill Air Force Base in Tampa Bay, Florida and rode in a C130 Air Force plane. She said that she wants to encourage everyone to be educated on the value of Maxwell and Gunter Air Force Bases.

Chairman Dean recognized Deputy Dave's Day, sponsored by the Sheriff's Office, which took place in Ramer and has been going on for years. He said that the people in Ramer are very happy and he is amazed at how they wrap their arms around law enforcement. He added that County built a baseball park in Ramer and about five baseball games were held that day. He expressed his appreciation for this annual event.

Vice Chairman Harris congratulated Corporal Anderson on the great job that he is doing with the D.A.R.E. Program. He stated that youth participation in programs like D.A.R.E make it less likely that they will become involved in criminal activity. He stated that Montgomery County was in good hands when it comes to providing preventive measures to keep the youth out of trouble. He stated that we have a sheriff, in Sheriff Cunningham, who will not hesitate to apprehend and lock up individuals involved in criminal activity, and at the same time, operate programs and sponsor activities geared toward improving youth attitudes toward law enforcement and encouraging them to stay out of trouble. He stated that we have a District Attorney that will not hesitate to lock you up if you commit a crime, he has programs that are geared toward keeping youth in school and out of trouble. He also stated that the Public Defender is also committed to helping offenders stay out of trouble. Vice Chairman Harris told the audience that Montgomery is a great place to live and that the Commission and City of Montgomery are committed to improving the quality of life for all citizens. He encourages everyone to continue the great job they are doing to keep Montgomery County number one. He added, jokingly, that as in everything else, Montgomery County has the number Revenue Commissioner, if you do not believe it, just ask her.

Chairman Dean recognized the Scale Back Alabama Program and asked everyone to stand. He told everyone that Commissioner Walker's cancer is gone and encouraged them to thank the Lord. Commissioner Walker told the audience that in December she had a pet scan which showed two cancerous tumors with cancer in some lymph nodes. She said that after eight miserable rounds of chemotherapy she had another pet scan which showed the tumors were gone and the lymph nodes were clear. She added that she will still be having surgery and will have a long year ahead. She gave Dr. Davidson and God all the credit.

RECESS TO INFORMATION SESSION

Chairman Dean recessed the Formal Session to the Information Session.

INFORMATION SESSION

COMMENTS FROM SCHEDULED ATTENDEES, STAFF AND COMMISSIONERS

RECESS TO EXECUTIVE SESSION

Administrator Mims presented a letter from Montgomery Area Chamber of Commerce Director of Corporate Development Justice Smyth requesting the convening of an Executive Session to discuss a commerce or trade matter. Commissioner Williams made a motion to go into the Executive Session. The motion was seconded by Commissioner Walker and unanimously approved by each Commissioner, openly giving their individual vote. Administrator Mims noted that all five County Commissioners were present and stated that the Commission would recess to the Information Session immediately following the Executive Session. Chairman Dean recessed the Information Session to the Executive Session. (Letter from Justice Smyth and a Checklist for Conducting Lawful Executive Sessions, Pages 13-1 and 13-2, are attached to these minutes)

RECESS TO INFORMATION SESSION

Vice Chairman Harris made a motion to recess the Executive Session. The motion was seconded by Commissioner Walker and unanimously approved by the Commission. Chairman Dean recessed the Executive Session to the Information Session.

INFORMATION SESSION

COMMENTS FROM SCHEDULED ATTENDEES, STAFF AND COMMISSIONERS

DISCUSSION BY THE COMMISSION

Vice Chairman Harris and Commissioner Hall requested a $1,000 miscellaneous appropriation from each of their accounts and Chairman Dean requested a $500 miscellaneous appropriation from his account to the Alabama Dance Theatre. The Commission agreed to place these items and a Budget Change Request in the amount of $5,000 on the next agenda for this program.

Chairman Dean briefed his fellow Commissioners regarding a request from Montgomery Public Schools concerning funding for a staff appreciation event. Chairman Dean, Vice Chairman Harris and Commissioner Walker requested a $500 miscellaneous appropriation from each of their accounts for this event. The Commission agreed to place these items on the next agenda.

Chairman Dean discussed publishing the County magazine again. Commissioner Hall suggested that a back print on the Montgomery Business magazine may be an option. After discussion, the Commission authorized Public Affairs Director DiDi Henry to research ideas and pricing.

PRESENTATION BY EXECUTIVE DIRECTOR GREG CLARK AND COMMUNITY DEVELOPMENT SPECIALIST LESLIE YORK WITH CENTRAL ALABAMA REGIONAL PLANNING AND DEVELOPMENT COMMISSION

Executive Director Greg Clark briefed the Commission regarding the evaluation of comprehensive needs in the Lagos del Sol subdivision relevant to pursuing Community Development Block Grant assistance.

Community Development Specialist Leslie York with Central Alabama Regional Planning and Development Commission discussed the condition of the neighborhood and stated that 49 properties were owner occupied, 61 properties were rental properties and 3 properties were owned by the State. She mentioned that 17 homes were dilapidated and in need of demolition. Ms. York presented a cost estimate from the County Engineering Department in the amount of $425,000 for new sidewalks, resurfacing streets and replacement of storm inlets. The Commission asked Mr. Clark and Ms. York to present them with other projects. (Copy of Evaluation of Comprehensive Needs in the Lagos Del Sol Subdivision, Agenda Pages 14-1 and 14-2, is attached to these Minutes.)

Ms. York suggested that the Commission continue the housing rehabilitation at Eastwood Villa neighborhood. After discussion, the Commission agreed to place the Community Development Block Grant (CDBG) Application and related Resolution concerning Eastwood Villa Housing Rehabilitation on the next agenda.

DISCUSSION BY THE COMMISSION

Chairman Dean stated that City of Montgomery Mayor Todd Strange is requesting the County Commission to contribute $8,000 towards the purchase of a sculpture for the 10th Anniversary of Hyundai Motor Manufacturing Alabama beginning production in Montgomery. After discussion, the Commission agreed to place a Budget Change Request in the amount of $8,000 on the next agenda for this project.

COMMENTS FROM PUBLIC AFFAIRS DIRECTOR DIDI HENRY

Public Affairs Director DiDi Henry reviewed upcoming events, noting the EMA crisis planning session on Friday, May 8th and the AUM Joint Business Breakfast on May 14.

COMMENTS FROM ADMINISTRATOR MIMS

Administrator Mims presented a schedule of upcoming Bids/Contract renewals for May – August 2015.

ADJOURNMENT

Vice Chairman Harris made a motion to adjourn the meeting of the Montgomery County Commission on May 4, 2015, at 11:10 a.m. The motion was seconded by Commissioner Hall and unanimously approved by the Commission.

AGENDA

MAY - 4 2015

05-04-15 Meeting

MONTGOMERY COUNTY COMMISSION

THE FOLLOWING ACCOUNTS PAYABLE WERE AUDITED AND ORDERED PAID

CHECKS ARE DATED 04-17-15

Check Number	To	Check Number
252305		252391
Total Checks Paid		$1,042,811.93

INFORMATION PERTAINING TO PAYEES OF THE CHECKS AND AMOUNTS PAID ARE MAINTAINED IN THE FINANCE DEPARTMENT IN THE ACCOUNTS PAYABLE CHECK REGISTER

AGENDA

MAY - 4 2015

05-04-15 Meeting

MONTGOMERY COUNTY COMMISSION

THE FOLLOWING ACCOUNTS PAYABLE WERE AUDITED AND ORDERED PAID

CHECKS ARE DATED 04-17-15

Check Number	To	Check Number
252392		252479
Total Checks Paid		$638,715.71

INFORMATION PERTAINING TO PAYEES OF THE CHECKS AND AMOUNTS PAID ARE MAINTAINED IN THE FINANCE DEPARTMENT IN THE ACCOUNTS PAYABLE CHECK REGISTER

AGENDA

MAY - 4 2015

05-04-15 Meeting

MONTGOMERY COUNTY COMMISSION

THE FOLLOWING ACCOUNTS PAYABLE WERE AUDITED AND ORDERED PAID

CHECKS ARE DATED 04-24-15

Check Number	To	Check Number
252480		252536
Total Checks Paid		$69,888.41

INFORMATION PERTAINING TO PAYEES OF THE CHECKS AND AMOUNTS PAID ARE MAINTAINED IN THE FINANCE DEPARTMENT IN THE ACCOUNTS PAYABLE CHECK REGISTER

AGENDA

MAY - 4 2015

05-04-15 Meeting

MONTGOMERY COUNTY COMMISSION

THE FOLLOWING ACCOUNTS PAYABLE WERE AUDITED AND ORDERED PAID

CHECKS ARE DATED 04-24-15

Check Number	To	Check Number
252537		252615
Total Checks Paid		$541,176.68

INFORMATION PERTAINING TO PAYEES OF THE CHECKS AND AMOUNTS PAID ARE MAINTAINED IN THE FINANCE DEPARTMENT IN THE ACCOUNTS PAYABLE CHECK REGISTER

05/04/15 Meeting

MONTGOMERY COUNTY COMMISSION

AGENDA

MAY - 4 2015

THE FOLLOWING TRANSACTIONS WERE AUDITED AND ORDERED PAID

CHECKS ARE DATED 05/01/15

Payroll Check Number	122672	To	Payroll Check Number	122750	$ 52,951.81
Direct Deposits					$ 814,269.32
Payroll Check Number	122751	To	Payroll Check Number	122779	$ 249,163.15
Direct Deposits					$ 357,675.31
Federal Deposits					$ 308,380.71
Total Payroll Paid					$ 1,782,440.30

INFORMATION PERTAINING TO PAYEES OF THE CHECKS AND AMOUNTS PAID ARE MAINTAINED IN THE FINANCE DEPARTMENT IN THE PAYROLL CHECK REGISTER

A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY BY MONTGOMERY COUNTY OF A FUNDING AGREEMENT AND THE ISSUANCE OF A RELATED GENERAL OBLIGATION WARRANT OF THE COUNTY IN CONNECTION WITH THE ISSUANCE OF $25,170,000 IN PRINCIPAL AMOUNT OF LIMITED OBLIGATION REVENUE BONDS, SERIES 2015, BY THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT TO FUND A PORTION OF THE COSTS OF VARIOUS PUBLIC SCHOOL CAPITAL IMPROVEMENTS, AND RELATED MATTERS

BE IT RESOLVED AND ORDERED by the Montgomery County Commission (the "Commission"), which is the governing body of Montgomery County, Alabama (the "County"), as follows:

Section 1. The Commission has ascertained and does hereby find, declare and determine as follows:

(a) Pursuant to that certain Project Funding and Cooperation Agreement (the "Project Agreement") dated February 17, 2015, by and among the Board of Education of Montgomery County, the City of Montgomery (the "City"), and the County, the parties thereto have agreed to undertake the financing and acquisition, construction, and renovation of public school facilities described therein (the "2015 Projects") and located within the municipal limits of the City of Montgomery.

(b) The Montgomery County Public Education Cooperative District (the "District") was created to facilitate the financing of public school facilities and, pursuant to that certain First Amendment to the Certificate of Incorporation of The Montgomery County Public Education Cooperative District dated February 16, 2015, recorded in the Office of the Judge of Probate of Montgomery County in Corporate Book 333 at Page 195 on February 18, 2015, the 2015 Projects were specifically identified as a "projects" of the District within the meaning of Chapter 99B of Title 11 of the Alabama Code 1975, the statute under which the District was incorporated.

(c) In order to fulfill the identified purpose of the District and the intent of its members, the District intends to issue its Limited Obligation Revenue Bonds, Series 2015 (the "Bonds") in a principal amount of $25,170,000 to provide financing for the 2015 Projects.

(d) The District has determined that Stifel, Nicolaus & Company, Inc., Montgomery, Alabama and First Tuskegee Capital Markets, Montgomery, Alabama, shall be the underwriters (the "Underwriters") for the issuance of the Bonds, and has authorized the preparation of an Official Statement with respect to the Bonds (as attached hereto as Schedule 1, the "Official Statement") that includes information relating to and provided by the County (herein, "Appendices A and B").

(e) In order to fulfill the obligation of the County to deliver the County Contribution and to deliver the County Obligations (as those terms are defined in the Project Agreement) and to provide security for the repayment of the Bonds, the Commission finds that it is necessary, desirable, and in the public interest for the County to approve and authorize the execution and delivery of a funding agreement (as attached hereto as part of Schedule 2, the "County Funding Agreement") and the issuance of a general obligation warrant in the principal amount of the County Contribution (as attached hereto as part of Schedule 2, the "County Warrant").

(f) The Commission, for and on behalf of the County, also finds and determines that disclosures relating to the County in the form attached as Appendices A and B to the Official Statement are necessary and required and does also hereby find and determine that the disclosure relating to the County under the heading "THE COUNTY" and in Appendices A and B relating to the County, as stated

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in the Official Statement, are true and correct and do 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. The County further finds that in order for the Bonds to be issued and sold to the Underwriters the County is required to enter a continuing disclosure undertaking pursuant to which the County is required to provide annually within a specified time period annual financial information and notices regarding certain material events, all as set forth in the Continuing Disclosure Agreement (attached hereto as Schedule 3) and as required by Rule 15c2-12 of the Securities Exchange act of 1934, as amended ("Disclosure Agreement").

Section 2. The Commission hereby approves the terms of the County Funding Agreement and authorizes the execution and delivery thereof upon the date of issuance of the Bonds.

Section 3. Pursuant to the applicable provisions of the laws of the State of Alabama, including particularly Chapter 28 of Title 11 of the Code of Alabama 1975, as amended, the Commission hereby authorizes to be issued the County Warrant upon the terms stated therein.

Section 4. The obligations of the County to make the payments required under the County Funding Agreement and the County Warrant shall constitute general obligations of the County for which the full faith, credit, and taxing power of the County are hereby irrevocably pledged and shall be absolute and unconditional under any and all circumstances and in no way conditioned or contingent upon any attempt to collect any of such amounts from the District or any other person or to realize upon any property subject to the trust indenture relating to the Bonds delivered by the District or upon any other direct or indirect security for the Bonds or resort to any other remedies.

Section 5. The County Funding Agreement and County Warrant shall be manually executed for and on behalf of the County by the Chairman of the Commission and attested by the signature of the County Administrator, and the corporate seal of the County shall be affixed to each document. The County Warrant shall be registered by the County Administrator as a claim against the County. The Registration Certificate thereon shall be executed by the manual signature of the County Administrator. The Chairman of the Commission and the County Administrator are hereby authorized and directed to so execute and register the County Warrant as provided above.

Section 6. The County information contained under the heading "THE COUNTY" in the Official Statement and the preparation and circulation of the Appendices A and B attached to the Official Statement, as presented hereto, are hereby "deemed final" by the County for purposes of Rule 15c2-12 of the Securities and Exchange Commission. Each of the Chairman of the Commission and the County Administrator is authorized and empowered to confer with the Underwriter in preparation of a final Official Statement containing the material information relating to the County and the Funding Agreement including, but not limited to, information on the County Warrant, information on the 2015 Projects, and on any other matter, and each of the Chairman or County Administrator is hereby further authorized, empowered and directed to certify to the Underwriter a "deemed final" Official Statement. Furthermore, each of the Chairman of the Commission and the County Administrator is hereby authorized and empowered, for and on behalf of the County, to execute and deliver in connection with the issuance of the Bonds by the District, the Disclosure Agreement, and such other certificates, agreements, consents, approvals, and authorizations necessary or required in order for the County to perform its obligations under the documents approved hereunder or under the Project Agreement and which are necessary or required in connection with the issuance of the Bonds by the District.

Section 7. This resolution shall take effect immediately upon its adoption.

ADOPTED this ______ day of _____________, 2015.

____
By: Elton N. Dean, Sr., Chairman.
Montgomery County Commission

ATTEST:

____
Donald L. Mims, County Administrator
Montgomery County Commission

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SCHEDULE 1

OFFICIAL STATEMENT

NEW ISSUE-BOOK-ENTRY ONLY **Ratings: S&P AA**

In the opinion of Bond Counsel, Capell & Howard, P.C., under the laws in effect as of the date of issuance of the Series 2015 Bonds and assuming compliance with certain covenants set forth in the Trust Indenture, interest on the Series 2015 Bonds is (i) excludable from gross income under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder for federal income tax purposes, subject to the applicable qualifications contained in the caption "TAX EXEMPTION" herein, and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; such interest, however, is includable in adjusted current earnings in computing the federal alternative minimum tax imposed on certain corporations. Bond Counsel is of the further opinion that, under the laws in effect as of the date of original issuance of the Series 2015 Bonds, interest on the Series 2015 Bonds will be exempt from State of Alabama income taxation. See "TAX EXEMPTION" and "APPENDIX F - Proposed Opinions of Bond Counsel."

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT
$25,170,000 LIMITED OBLIGATION REVENUE BONDS, SERIES 2015 (Public Schools Projects)

Dated: Date of Initial Delivery **Due: April 1, as shown below**

The Series 2015 Bonds are limited obligations of The Montgomery County Public Education Cooperative District ("District") payable solely out of revenues received by the District under its respective Funding Agreements with the City of Montgomery, Alabama ("City") and Montgomery County, Alabama ("County"). See "SECURITY AND SOURCE OF PAYMENT" herein.

The Series 2015 Bonds bear interest payable semi-annually on each April 1 and October 1 of each year, commencing with the first payment on October 1, 2015. Each series of the Series 2015 Bonds mature on April 1 in the years and principal amounts, and bear interest at the per annum rates, set forth on the inside front cover.

The Series 2015 Bonds will be issued as fully registered bonds 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 (the "Securities Depository") and, when issued, will be registered in the name of and held by Cede & Co., as nominee of the Securities Depository. During the period in which the book-entry only system is in effect for the Series 2015 Bonds, purchases and transfers of ownership of beneficial interests in the Series 2015 Bonds will be evidenced by book-entry only and purchasers of beneficial interest in the Series 2015 Bonds will not receive physical delivery of the certificates representing their interests in the Series 2015 Bonds. All payments of principal of, premium (if any) and interest on the Series 2015 Bonds will be made by Regions Bank, as trustee, to the Securities Depository so long as the Securities Depository or its nominee is the registered owner of the Series 2015 Bonds. The final disbursements to the Beneficial Owners of the Series 2015 Bonds will be the responsibility of the Direct Participants (and, where appropriate, by the Indirect Participants), all as more particularly provided in the Indenture and described herein under the caption "THE SERIES 2015 BONDS - Book-Entry Only System".

FOR MATURITIES, AMOUNTS, INTEREST RATES, PRICES, & CUSIP NUMBERS OF THE SERIES 2015 BONDS, SEE INSIDE COVER.

The Series 2015 Bonds are subject to optional and mandatory redemption prior to their respective maturities as set forth herein. See "THE SERIES 2015 BONDS -- Redemption" herein.

The Series 2015 Bonds are offered when, as and if issued and received by the Underwriters, subject to prior sale, to withdrawal and modification of the offer without notice and subject to the approval of legality of the Series 2015 Bonds by Capell & Howard, P.C., Montgomery, Alabama, Bond Counsel. Certain legal matters will be passed upon by the District by its counsel, Gilpin Givhan, PC. Certain legal matters will be passed on by the Underwriters by its Counsel, Rushton, Stakely, Johnston & Garrett, P.A., Montgomery, Alabama. It is expected that the Series 2015 Bonds in definitive form will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about May 6, 2015.

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 the making of an informed investment decision.

STIFEL **FIRST TUSKEGEE CAPITAL MARKETS**

Dated April 23, 2015

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT
\$25,170,000 LIMITED OBLIGATION REVENUE BONDS, SERIES 2015
(Public Schools Projects)

Dated: Date of Initial Delivery **Due: April 1, as shown below**

MATURITIES, AMOUNTS, RATES, YIELDS AND CUSIPS

Maturity Date	Series 2015 Principal	Interest Rate	Yield	CUSIP[1]	Maturity Date	Series 2015 Principal	Interest Rate	Yield	CUSIP[1]
4/01/2016	\$700,000	2.00%	64%	613211AA9	4/01/2022	\$725,000	5.00%	2.11%	613211AG6
4/01/2017	\$615,000	2.00%	.98%	613211AB7	4/01/2023	\$765,000	5.00%	2.27%	613211AH4
4/01/2018	\$630,000	3.00%	1.32%	613211AC5	4/01/2024	\$800,000	5.00%	2.46%	613211AJ0
4/01/2019	\$645,000	3.00%	1.55%	613211AD3	4/01/2025	\$840,000	5.00%	2.60%	613211AK7
4/01/2020	\$665,000	4.00%	1.72%	613211AE1	4/01/2026	\$880,000	5.00%	2.75%	613211AL5
4/01/2021	\$695,000	5.00%	1.89%	613211AF8					

\$1,885,000 3.00% Term Bond Maturing April 1, 2028(Yield 3.22%)(CUSIP 613211 AN1)
\$2,015,000 5.00% Term Bond Maturing April 1, 2030 (Yield 3.10%)(CUSIP 613211 AQ4)
\$3,420,000 5.00% Term Bond Maturing April 1, 2033 (Yield 3.26%)(CUSIP 613211 AT8)
\$2,550,000 3.50% Term Bond Maturing April 1, 2035 (Yield 3.75%)(CUSIP 613211 AV3)
\$3,000,000 3.625%Term Bond Maturing April 1, 2040 (Yield 3.87%)(CUSIP 613211 AZ4)
\$4,340,000 5.00% Term Bond Maturing April 1, 2040 (Yield 3.51%)(CUSIP 613211 BA8)

Prices: As Shown Above

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(1) 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.

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT

BOARD OF DIRECTORS

Todd Strange, Mayor
Charles Jinright, City Council President (District Vice Chairman and Secretary-Treasurer)
Elton N. Dean, Sr, County Commission Chairman
Daniel Harris, Jr., County Commission Vice Chairman (District Chairman)
Margaret Allen, Superintendent

UNDERWRITERS

Stifel, Nicolaus & Company, Inc.
Montgomery, Alabama

First Tuskegee Capital Markets
Montgomery, Alabama

UNDERWRITERS' COUNSEL

Rushton, Stakely, Johnston & Garrett, P.A.
Montgomery, Alabama

COUNSEL TO THE DISTRICT

Gilpin Givhan, PC
Montgomery, Alabama

BOND COUNSEL

Capell & Howard, P.C.
Montgomery, Alabama

TRUSTEE

Regions Bank
Birmingham, Alabama

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFERING OF ANY SECURITIES OTHER THAN THE SERIES 2015 BONDS SPECIFICALLY OFFERED HEREBY. NO DEALER, BROKER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED BY THE DISTRICT OR BY EITHER STIFEL, NICOLAUS & COMPANY, INC. OR FIRST TUSKEGEE CAPITAL MARKETS ("UNDERWRITERS") TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON OR BE DEEMED TO HAVE BEEN AUTHORIZED BY ANY OF THE FOREGOING NAMED PARTIES.

ANY INFORMATION OR EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE AS TO THE AFFAIRS OF THE DISTRICT SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT ON ANY DATE SUBSEQUENT TO THE DATE OF THIS OFFICIAL STATEMENT.

THE UNDERWRITERS HAVE NOT AND WILL NOT ASSUME ANY RESPONSIBILITY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION IN THIS OFFICIAL STATEMENT. THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT HAS BEEN OBTAINED FROM THE DISTRICT AND OTHER SOURCES BELIEVED BY THE UNDERWRITERS TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO THE ACCURACY OR COMPLETENESS AND IS NOT TO BE CONSTRUED AS A REPRESENTATION BY THE UNDERWRITERS.

THIS OFFICIAL STATEMENT IS NOT A CONTACT WITH THE PURCHASERS OF THE SERIES 2015 BONDS. STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT WHICH INVOLVE ESTIMATES, FORECASTS OR MATTERS OF OPINION, WHETHER OR NOT EXPRESSLY SO DESCRIBED HEREIN, ARE INTENDED SOLELY AS SUCH AND ARE NOT TO BE CONSTRUED AS REPRESENTATIONS OF FACT.

NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT OR TO THE PARTIES REFERRED TO ABOVE OR THE SYSTEM SINCE THE DATE HEREOF. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALES OF THE SERIES 2015 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE SERIES 2015 BONDS WILL NOT BE REGISTERED BY THE DISTRICT UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE'S SECURITIES LAWS AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, MUNICIPAL OR OTHER GOVERNMENTAL ENTITY OR AGENCY (OTHER THAN THE DISTRICT) WILL HAVE PASSED UPON THE ADEQUACY OF THIS OFFICIAL STATEMENT OR, OTHER THAN THE DISTRICT, WILL HAVE APPROVED OR RECOMMENDED THE SERIES 2015 BONDS FOR SALE. ANY REPRESENTATIONS TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE UNDERWRITERS HAVE 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 A PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2015 BONDS, THE UNDERWRITERS MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2015 BONDS AT LEVELS ABOVE THOSE THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE PRICE AND OTHER TERMS IN RESPECT TO THE OFFERING AND SALE OF THE SERIES 2015 BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS AFTER THE SERIES 2015 BONDS ARE RELEASED FOR SALE, AND THE SERIES 2015 BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICE, INCLUDING SALES TO DEALERS THAT MAY SALE THE SERIES 2015 BONDS TO INVESTMENT ACCOUNTS.

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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TABLE OF CONTENTS

OFFICIAL STATEMENT

Pertaining to

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT
$25,170,000 Limited Obligation Revenue Bonds, Series 2015
(Public School Projects)

INTRODUCTION

The purpose of this Official Statement is to furnish certain information concerning the $25,170,000 aggregate principal amount Limited Obligation Revenue Bonds, Series 2015 (Public School Projects) to be issued by The Montgomery County Public Education Cooperative District (herein referred to as the "Bonds" or "Series 2015 Bonds") to prospective purchasers thereof. The Series 2015 Bonds will be dated as of the date of initial delivery. Capitalized terms used, but not defined herein, shall have the meanings set forth in the Summary of the Indenture attached hereto as APPENDIX E. See "APPENDIX E - Summary of the Indenture."

The Montgomery County Public Education Cooperative District ("District") is a public corporation organized under Section 11-99B-1 et seq. Code of Alabama (1975), as amended. The District owns no assets or properties. The District was formed by the City of Montgomery, Alabama, a public body corporate and politic under the laws of the State of Alabama ("City"), and Montgomery County, Alabama, an Alabama political subdivision ("County"). The City and the County constitute the sole members of the District. The District was formed for the purpose of financing the obligations of the City and the County to construct various school improvement projects.

The Series 2015 Bonds are being issued pursuant to a Trust Indenture dated as of May 1, 2015 ("Indenture"), between the District and Regions Bank, Birmingham, Alabama, as trustee.

The Series 2015 Bonds are limited obligations of the District payable solely from the revenues and amounts received by the District pursuant to (i) that certain Funding Agreement dated May 1, 2015, by and between the District and the City ("City Funding Agreement") and (ii) that certain Funding Agreement dated as of May 1, 2015 by and between the District and the County (the "County Funding Agreement", and together with the "City Funding Agreement," are collectively referred to herein as the "Funding Agreements"). Pursuant to the Funding Agreements, the City and County have agreed to fund their respective shares of the debt service on the Bonds as set forth in their respective Funding Agreements on an annual fiscal year basis. The City's share of debt service and other payments is 36.48% ("City Percentage") under the City Funding Agreement, while the County's share of debt service and other payments is 63.52% ("County Percentage") under the County Funding Agreement. The obligations of the City and County, as limited pursuant to their respective Funding Agreements to fund their respective shares of debt service, constitute their respective general obligations, for which their respective full faith, credit and taxing powers are irrevocably and sacredly pledged. See "SECURITY AND SOURCE OF PAYMENT – Funding Agreements" herein.

The Series 2015 Bonds are being issued for the purposes of (i) financing the City's and County's obligations to fund the construction and renovation of certain public school facilities and improvements relating thereto located within the corporate limits of the City as set forth in that certain Project Funding and Cooperation Agreement between the City, County and the Montgomery County Board of Education dated February 17, 2015 ("Project Funding Agreement"), and (ii) paying the costs of issuance for the Series 2015 Bonds. See "THE PLAN OF FINANCING" herein.

The Series 2015 Bonds will not constitute a general obligation of or a charge against the general credit or taxing power of the State of Alabama, the District, or any other county, municipality or other political subdivision except for the City's and the County's obligations under their respective Funding Agreements. The District has no taxing power. See "SECURITY AND SOURCE OF PAYMENTS" herein.

The Series 2015 Bonds are subject to optional redemption prior to their respective maturities at the times and under the circumstances set forth herein. See "THE SERIES 2015 BONDS - Redemption" herein.

Each of the District, the City and the County has covenanted to undertake certain continuing disclosure relating to the Series 2015 Bonds pursuant to Rule 15c2-12 of the U.S. Securities and Exchange Commission. See "CONTINUING DISCLOSURE" herein.

Neither the delivery of this Official Statement nor any sale of the Series 2015 Bonds made hereunder implies that there has been no change in the affairs of the District, City or County at any time subsequent to the date hereof. 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 Series 2015 Bonds, contact the Underwriters, c/o Stifel, Nicolaus & Company, Inc., Lakeview Center, 2660 Eastchase Lane, Montgomery, Alabama 36117, (334) 834-5100.

SPECIAL QUALIFICATIONS

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 IS ANY ASSURANCE GIVEN THAT ANY SUCH PROJECTIONS OR ESTIMATES WILL BE REALIZED.

This Official Statement contains brief descriptions of the District, the financing plan, and information with respect to use of the proceeds of the Bonds, summaries of certain provisions of the Bonds and the Indenture, and a description of certain risks associated with an investment of the Bonds. 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 to summaries of the Bonds, the Indenture, contracts, documents, or official acts are qualified by reference to such document or instrument and to their exact terms in its entirety.

NEITHER THIS OFFICIAL STATEMENT NOR ANY STATEMENTS THAT MAY HAVE BEEN MADE ORALLY OR IN WRITING IS TO BE CONSTRUED AS A CONTRACT WITH THE REGISTERED OWNERS OF EITHER SERIES OF THE SERIES 2015 BONDS.

DEFINITIONS

In addition to the terms defined elsewhere herein, certain capitalized terms when used in this Official Statement without further definition shall have the following meanings:

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

Bond Payment Date means each date on which principal, interest or redemption premium (if any) on the Bonds is due and payable including any applicable redemption date or acceleration date.

Book Entry System means an electronic book-entry only system of evidence of purchase and transfer of beneficial ownership interests in the Series 2015 Bonds.

Business Day means a day, other than (i) a Saturday or Sunday, (ii) a day on which banking institutions are authorized or required by law to remain closed in either of the following locations: (A) the city in which the principal office of the Trustee is located or (B) the City of New York, New York, and (iii) a day on which the payment system of the Federal Reserve System is not operational.

Debt Service means the payment of the principal of and interest on, and redemption premium (if any) on, the Series 2015 Bonds.

Federal Securities means direct general obligations of, or obligations the full and timely payment of the principal of and interest on which is unconditionally guaranteed by, the United States of America.

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

Holder refers to a registered owner, holder or holders of the Series 2015 Bonds.

Letter of Representation means and includes (i) the Letter of Representation with respect to the Bonds from the District to the Securities Depository; and (ii) any other or subsequent agreement by whatever name or identification with respect to the Series 2015 Bonds between said parties from time to time in effect.

Regular Record Date means, for each interest payment date, the 15th 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 Series 2015 Bonds.

Securities Depository Nominee means the Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the bond register the Series 2015 Bonds to be delivered to such Securities Depository during a period in which the Series 2015 Bonds are held pursuant to the Book-Entry System.

Underwriters means Stifel, Nicolaus & Company, Inc. and First Tuskegee Capital Markets, and their respective successors.

THE SERIES 2015 BONDS

General Description

The Series 2015 Bonds are being issued in Authorized Denominations as fully registered bonds, without coupons, under the Indenture described herein. The Series 2015 Bonds will be dated the date of initial delivery, and will bear interest from such date, payable semiannually on each April 1 and October 1 (each is an "Interest Payment Date") commencing with the first payment October 1, 2015, at the rates, and will mature on April 1, in the respective years and in the respective principal amounts, set forth on the inside cover page of this Official Statement. The Bonds shall be issued solely in fully registered form, and shall initially be registered in the name of Cede & Co., as registered owner and nominee for all DTC. Payments and principal, interest, and redemption premium, (if any), shall be governed by procedures established by the securities depository. See "THE SERIES 2015 BONDS – Book Entry Only System" herein.

Book-Entry Only System

The information contained in this section Book-Entry Only System concerning the Securities Depository and its Book-Entry System has been obtained from the Securities Depository and other sources that the District and the Underwriter believe to be reliable, but neither the District nor the Underwriter takes 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.

The Depository Trust Company, New York, NY, will act as security depository for the Series 2015 Bonds (the "Securities Depository"). The Series 2015 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (the Securities Depository's partnership nominee) or such other name as may be requested by an authorized representative of the Securities Depository. One fully-registered certificate will be issued for each maturity of the Series 2015 Bonds, 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, 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 Securities Depository 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 Standard & Poor's highest rating: 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 Series 2015 Bonds under the Securities Depository system must be made by or through Direct Participants, which will receive a credit for the Series 2015 Bonds on the Securities Depository's records. The ownership interest of each actual purchaser of each Series 2015 Bond ("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 Series 2015 Bonds 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 Series 2015 Bonds, except in the event that use of the book-entry system for the Series 2015 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2015 Bonds deposited by Direct Participants with the Securities Depository are registered in the name of the Securities Depository's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of the Securities Depository. The deposit of Series 2015 Bonds with the Securities Depository and their registration in the name of Cede & Co. or such other the Securities Depository nominee do not affect any change in beneficial ownership. The Securities Depository has no knowledge of the actual Beneficial Owners of the Series 2015 Bonds; the Securities Depository's records reflect only the identity of the Direct Participants to whose accounts such Series 2015 Bonds 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 Series 2015 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2015 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2015 Bonds may wish to ascertain that the nominee holding the Series 2015 Bonds 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 Trustee 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 Series 2015 Bonds 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 Series 2015 Bonds to be redeemed.

Neither the Securities Depository nor Cede & Co. (nor any other the Securities Depository nominee) will consent or vote with respect to Series 2015 Bonds 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 District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2015 Bonds 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 Series 2015 Bonds will be made by the Trustee to Cede & Co. 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 District or Trustee, 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 Trustee, the District 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 & Co. (or such other nominee as may be requested by an authorized representative of the Securities Depository) is the responsibility of the District or the Trustee, 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 Series 2015 Bonds at any time by giving reasonable notice to the District and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, physical certificates for the Series 2015 Bonds are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through the Securities Depository (or a successor securities depository) for the Series 2015 Bonds. In that event, certificates for the Series 2015 Bonds will be printed and delivered to the Securities Depository.

The District, the Trustee and the Underwriters cannot and do not give any assurances that any Direct or Indirect Participant will distribute to the Beneficial Owners of the Series 2015 Bonds (1) payments of principal or redemption price, premium, if any, or interest on, the Series 2015 Bonds, (2) certificates representing an ownership interest or other confirmation of beneficial ownership interests in Series 2015 Bonds, or (3) redemption or other notices sent to the Securities Depository or Cede & Co., as the registered owner of the Series 2015 Bonds, or that they will do so on a timely basis or that the Securities Depository or Cede & Co., any Direct or Indirect Participant will serve and act in the manner described in this Official Statement. All such payments to the Securities Depository or Cede & Co. of principal, interest, or redemption price on behalf of the District and the Trustee shall be valid and effectual to satisfy and discharge the liability of the District and the Trustee to the extent of the amounts so paid, and the District and the Trustee shall not be responsible or liable for payment to any Beneficial Owner by the Securities Depository or any Direct or Indirect Participant.

The District, the Trustee and the Underwriters 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 Series 2015 Bonds; (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 Indenture to be given to Beneficial Owners; or (4) any consent given or other action taken by the Securities Depository or Cede & Co., as owner.

Discontinuation of Book-Entry System; Payment, Transfer, Exchange and Registration

In the event the Book-Entry System for the Series 2015 Bonds is discontinued, Series 2015 Bonds in certificated form in Authorized Denominations will then be physically distributed to the registered owners of beneficial interests in the Series 2015 Bonds, the Series 2015 Bonds will then be registered in the names of the owners thereof on the registration books of the Trustee pertaining thereto, and the Trustee shall then make payments of principal of, and premium (if any) on the Series 2015 Bonds to the registered owners thereof, upon presentation and surrender of the Series 2015 Bonds to be paid or redeemed, by check or draft at the office of the Trustee in Birmingham, Alabama. The interest on the Series 2015 Bonds will be paid by the Trustee by check or draft mailed to the registered owner thereof at the address shown on the Bond Register of the Trustee pertaining to the Series 2015 Bonds.

In the event the Book-Entry System is discontinued with respect to the Series 2015 Bonds, the following provisions with respect to registration, transfer and exchange of the Series 2015 Bonds by the registered owners thereof shall apply, subject to the further conditions set forth in the Indenture with respect thereto:

(a) Each Series 2015 Bond may be transferred by the registered owner in person or by duly authorized attorney, only on the bond register maintained by the Trustee and only upon surrender of the Series 2015 Bond to the Trustee for cancellation with a written instrument of transfer acceptable to the Trustee executed by the registered owner or his duly authorized attorney, and upon any such transfer, a new Bond of the same series and of like tenor shall be issued to the transferee in exchange therefor.

(b) The registered owner of any Series 2015 Bond in a face amount of more than $5,000 may surrender the same in exchange for more than one Bond of the same series, each in the principal amount which is an Authorized Denomination, having the same interest rate and year of maturity as the Bond so surrendered and the same aggregate principal amount of the Bond so surrendered. The registered owner of two or more Series 2015 Bonds of the same series having the same principal maturity and interest rate may surrender the same in exchange for a single Series 2015 Bond of the same series in an Authorized Denomination in the aggregate principal amount of the Series 2015 Bonds so surrendered.

(c) The Trustee shall not be required to transfer or exchange any Series 2015 Bond for a period of fifteen (15) days next preceding any Interest Payment Date; and in the event that any Series 2015 Bond (or any part thereof) is duly called for redemption, the Trustee shall not be required to register or transfer any such Series 2015 Bond 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 Series 2015 Bond requesting any such transfer or exchange shall pay any tax or other governmental charge required to be paid with respect thereto.

The Indenture provides that each registered owner of the Series 2015 Bonds, by receiving or accepting the Series 2015 Bond, consents and agrees and is estopped to deny that, insofar as the District and the Trustee are concerned, the Series 2015 Bond may be transferred only in accordance with the provisions of the Indenture.

The registered owner of any Series 2015 Bond will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Series 2015 Bond and will also be required to provide such evidence and indemnity satisfactory to the Trustee and District prior to any Series 2015 Bond being issued in replacement thereof. In the event the conditions for replacement of a mutilated, lost, stolen or destroyed bond are satisfied, a Series 2015 Bond of like tenor, date, series, principal amount and maturity as the Series 2015 Bond so mutilated, destroyed, stolen or lost.

Interest Payment and Accrual

Payment of interest on the Series 2015 Bonds shall be deemed timely made if mailed on the Interest Payment Date to the registered owner thereof as of Regular Record Date preceding the Interest Payment Date with respect to which such payment is made or, if such Interest Payment Date is not a Business Day, then on the first Business Day following such Interest Payment Date. Interest on the Series 2015 Bonds will be computed on the basis of a 360-day year consisting of twelve (12) consecutive months of thirty (30) days each.

The principal of and interest on any Bond will bear interest from the respective due dates until paid at the rate of interest borne by the principal of such Bond prior to maturity.

Upon the request of the Holder of Bonds in an aggregate principal amount of not less than $1,000,000, the Trustee will make payment of principal, interest and redemption premium on such Bond by wire transfer to an account of such Holder maintained at a bank in the continental United States or by any other method providing for payment in same-day funds as is acceptable to the Trustee, provided that such written request contains adequate instructions for the method of payment and final payment of principal is made only upon such surrender of the Bond or Bonds as provided in the Indenture.

Any interest on a Bond that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein referred to as "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant regular Record Date solely by virtue of such Holder having been such Holder on such date; and such Defaulted Interest shall be paid by the District to the persons in whose name such Bonds are registered at the close of business on a special record date (as defined below) for the payment of such Defaulted Interest, which shall be fixed in the manner described. The District shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of proposed payment (which date shall be such as will enable the Trustee to comply with the provisions of the Indenture), and at the same time the District shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of persons entitled to such Defaulted Interest and not to be deemed part of the Trust Estate. The Trustee shall then fix a special record date ("Special Record Date") for the payment of such defaulted interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment and not less than 10 days after receipt by the Trustee of the notice of the proposed payment. The

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Trustee shall promptly notify the District of such Special Record Date and shall cause notice of the proposed payment of such Defaulted Interest in the Special Record Date therefor to be mailed, by first class postage prepaid, to the Holders at the address thereof appearing in the Bond Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as a foresaid, such Defaulted Interest shall be paid to the persons in whose name the Bonds are registered on such Special Record Date.

Redemption Prior to Maturity

Optional Redemption.

Those of the Series 2015 Serial Bonds having a stated maturity on April 1, 2026 will be subject to redemption, at the option of the District, prior to their respective maturities on April 1, 2025, or on any date thereafter, in installments of $5,000 or any integral multiple thereof, in whole or in part, in such order and amount of maturities as the District may designate (and if less than all of the Series 2015 Bonds of a single maturity are to be redeemed, those to be redeemed within a single maturity shall be selected by the Security Depository or the Trustee by lot or by such other method as hereinafter described), at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date fixed for redemption.

Mandatory Redemption.

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

Year	Principal Amount to be Mandatorily Redeemed
2027	$930,000

The remaining $955,000 of the 2028 Term Bonds will be paid at maturity on April 1, 2028.

(2) Those of the Bonds having a stated maturity on April 1, 2030 (the "2030 Term Bonds") are subject to scheduled mandatory redemption, by lot, on April 1 in the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2030 Term Bonds then canceled or redeemed and not previously claimed as a credit), at a redemption price for each 2030 Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

Year	Principal Amount to be Mandatorily Redeemed
2029	$985,000

The remaining $1,030,000 of the 2030 Term Bonds will be paid at maturity on April 1, 2030.

(3) Those of the Bonds having a stated maturity on April 1, 2033 (the "2033 Term Bonds") are subject to scheduled mandatory redemption, by lot, on April 1 in the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2033 Term Bonds then canceled or redeemed and not previously claimed as a credit), at a redemption price for each 2033 Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

Year	Principal Amount to be Mandatorily Redeemed
2031	$1,085,000

2032	1,140,000

The remaining $1,195,000 of the 2033 Term Bonds will be paid at maturity on April 1, 2033.

(4) Those of the Bonds having a stated maturity on April 1, 2035 (the "2035 Term Bonds") are subject to scheduled mandatory redemption, by lot, on April 1 in the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2035 Term Bonds then canceled or redeemed and not previously claimed as a credit), at a redemption price for each 2035 Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

Year	Principal Amount to be Mandatorily Redeemed
2034	$1,255,000

The remaining $1,295,000 of the 2035 Term Bonds will be paid at maturity on April 1, 2035.

(5) Those of the Bonds bearing an interest rate of 3.625% and having a stated maturity on April 1, 2040 (the "2040 Discount Term Bonds") are subject to scheduled mandatory redemption, by lot, on April 1 in the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2040 Discount Term Bonds then canceled or redeemed and not previously claimed as a credit), at a redemption price for each 2040 Discount Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

Year	Principal Amount to be Mandatorily Redeemed
2036	$545,000
2037	$570,000
2038	$595,000
2039	$630,000

The remaining $660,000 of the 2040 Discount Term Bonds will be paid at maturity on April 1, 2040.

(6) Those of the Bonds bearing an interest rate of 5.00% and having a stated maturity on April 1, 2040 (the "2040 Premium Term Bonds") are subject to scheduled mandatory redemption, by lot, on April 1 in the years and in the aggregate principal amounts set forth below (subject to a credit for the principal amount of the 2040 Premium Term Bonds then canceled or redeemed and not previously claimed as a credit), at a redemption price for each 2040 Premium Term Bond to be redeemed equal to the principal amount thereof, plus accrued interest thereon to the redemption date, without premium or penalty:

Year	Principal Amount to be Mandatorily Redeemed
2036	$800,000
2037	$830,000
2038	$870,000
2039	$900,000

The remaining $940,000 of the 2040 Premium Term Bonds will be paid at maturity on April 1, 2040.

Selection for Redemption

If less than all of the Series 2015 Bonds of a maturity are to be redeemed during a period in which the Book-Entry

System is in effect for the Series 2015 Bonds, the Securities Depository shall determine the amount of the interest of each Direct Participant in the Series 2015 Bonds to be redeemed, on the basis of the smallest Authorized Denomination of the Series 2015 Bonds, by lot or by such other method as the Securities Depository shall deem fair and appropriate.

If less than all the Series 2015 Bonds of a maturity are to be redeemed during a period in which the Book-Entry System is not in effect for the Series 2015 Bonds, the Trustee shall select the particular Series 2015 Bonds to be redeemed on the basis of the smallest Authorized Denomination of the Series 2015 Bonds, by lot or by such other method as the Trustee shall deem fair and appropriate.

During a period in which the Book-Entry System is in effect for the Series 2015 Bonds, the recordation and evidence of any reduction in the aggregate principal amount of the Series 2015 Bonds as a result of the redemption of a portion thereof shall be made in accordance with the Letter of Representation for that series and the rules and procedures of the Securities Depository with respect thereto from time to time in effect.

During a period in which the Book-Entry System is not in effect for the Series 2015 Bonds, unless otherwise provided in the Indenture, any Bond which is to be redeemed only in part shall be surrendered at the designated corporate trust office of the Trustee (with due endorsement by, or a written instrument of assignment or transfer in form satisfactory to the District and the Trustee duly executed by the registered owner thereof or his attorney duly authorized in writing) and the District shall execute and the Trustee shall authenticate and deliver to the registered owner of such Bond, without service charge, a new Series 2015 Bond or Bonds of any Authorized Denomination or Denominations as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2015 Bond so surrendered.

Notice of Redemption

Notice of any intended redemption shall be sent by United States certified mail to the registered owner of each Series 2015 Bond, all or a part of the principal of which is to be redeemed, not more than 60 days nor less than 30 days prior to the proposed redemption date or, if the Securities Depository or Securities Depository Nominee is the registered owner, at the times and in the manner in the Letter of Representation for that series, at the address of such Holder appearing in the bond register; provided, however, any Holder may waive the requirement of notice as to the redemption (in whole or in part) of the Series 2015 Bond or Bonds thereof.

During a period in which the Book-Entry System is in effect for the Series 2015 Bonds, notice of any intended redemption may also be given to each Beneficial Owner, all or portion of the interest of which in the Series 2015 Bonds 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 Series 2015 Bonds.

Notice of redemption shall specify the Series 2015 Bonds and the interests therein to be redeemed, the redemption date, the redemption price and the place or places where amounts due upon such redemption will be payable (which shall be the corporate trust office of the Trustee) and if less than all the Series 2015 Bonds are to be redeemed, the notice shall specify the series, the numbers or their identification of the Series 2015 Bonds or the interests therein to be redeemed in the principal amount of Series 2015 Bonds to be redeemed.

Interest Ceases to Accrue After Redemption Date

Series 2015 Bonds (or portions thereof) for the redemption and payment of which provision shall have been made and notice thereof given all in accordance with the Indenture shall thereupon cease to be entitled to the benefits of the Indenture and shall cease to bear interest from and after the date fixed for redemption unless and to the extent default shall be made in payment of the redemption price.

SECURITY AND SOURCE OF PAYMENT

Authority for Issuance

The Series 2015 Bonds are being issued by the District under the authority of the Constitution and laws of the State of Alabama, including particularly Chapter 99B of Title 11 (Section 11-99B-1 et seq.) of the Code of Alabama (1975), as amended (herein the "Enabling Law").

The Enabling Law authorizes any cooperative district in the State of Alabama to issue its interest-bearing revenue bonds for the purpose of acquiring, constructing, improving, enlarging, completing and equipping any project which any member of the District is authorized by law to own, acquire, construct or finance. Section 11-47-20 of the Code of Alabama (1975), as amended, authorizes the City, which is a member of the District, to acquire and improve property for the purpose of any schoolhouse construction. The County, which is a member of the District, is authorized by Chapter 28 of Title 11 of the Code of Alabama (1975), as amended, to acquire by construction school buildings as public facilities.

Source of Payment and Pledge

The Bonds are payable solely from the payments received by District under each of the City Funding Agreement and the County Funding Agreement. Pursuant to the terms of the Indenture and each of the respective Funding Agreements, the District is pledging all of its rights, title and interest in and to each of the Funding Agreements to the Trustee under the Indenture for payment of the principal, interest and redemption premium (if any) ("Debt Service") on the Bonds.

Funding Agreements

Under the City Funding Agreement, the City covenants and agrees to pay the City Percentage of the Debt Service payments when due and payable to enable the District to timely make payments of principal, interest and redemption premium (if any) on the Bonds on each Bond Payment Date. The City will not be responsible for payments on the Bonds in excess of the City Percentage. As security for and in evidence of the City's obligations under the Funding Agreement, the City is issuing in favor of the Trustee the City's $9,190,000 General Obligation School Warrant, Series 2015-A ("City Warrant"). The City has pledged its full faith, credit and taxing powers in satisfaction of its payment obligations under the City Warrant and the City Funding Agreement.

Under the County Funding Agreement, the County covenants and agrees to pay the County Percentage of the Debt Service payments when due and payable to enable the District to timely make payments of principal, interest and redemption premium (if any) on the Bonds on each Bond Payment Date. The County will not be responsible for payments on the Bonds in excess of the County Percentage. As security for and in evidence of the County's obligations in the Funding Agreement, the County is issuing in favor of the Trustee the County's $15,980,000 General Obligation School Warrant, Series 2015-A ("County Warrant"). The County has pledged its full faith, credit and taxing powers in satisfaction of its obligations under the County Warrant and the County Funding Agreement.

The District has pledged, assigned and transferred to the Trustee, as part of the trust estate under the Indenture, for the benefit of the bondholders all of it rights and remedies under each of the Funding Agreements as security for the Series 2015 Bonds.

For a description of the funds and accounts established under the Indenture for the collection and disposition of the funds under the Funding Agreements and their warrants, see "APPENDIX E - Summary of the Indenture" herein.

Under the Funding Agreements, each of the City and the County have to approve the District's optional redemption of the Bonds.

Other Indebtedness

The District has no other long-term indebtedness, leases or contracts. The District does not expect to issue any additional indebtedness and is not a party to any derivative transactions.

Remedies

The District is, under existing law, subject to suit in the event that it defaults in payment of the debt service on the Series 2015 Bonds. However, the extent of the remedies afforded to the registered owners of the Series 2015 Bonds by any such suit, and the enforceability of any judgment against the District resulting therefrom, are subject to those limitations inherent in the fact that the Series 2015 Bonds are limited obligations of the District payable solely out of the revenues derived from the Funding Agreements and the related warrants. Each of the City and the County is, under existing law, also subject to suit in the event the City or County defaults in the payment under the City Warrants or County Warrants or their respective Funding Agreements. However, the extent of the remedies afforded to registered owners of the Series 2015 Bonds by any such suit, and the enforceability of any judgment against the City or the County resulting therefrom, are subject to those limitations imposed by existing law and by the fact that the Warrants are issued in favor of the Trustee as security for the holders. In each of these instances, the extent of the remedies may be subject to, among other things, (i) the provisions of the United States Bankruptcy Code (See "THE FEDERAL BANKRUPTCY ACT" herein), and (ii) the provisions of other laws that may hereafter be enacted by the Congress of the United States and the legislature of the State of Alabama extending the time for payment of public District indebtedness or imposing other constraints upon the enforcement of rights of creditors. Furthermore, the remedies provided under the Indenture are vested in the Trustee unless the Trustee fails or refuses to pursue a remedy (within thirty (30) days) after notice of default is given and after a written request to do so is received by the Trustee from Holders owning 25% of the principal amount of all Bonds then outstanding under the Indenture and after indemnity is received; in which case such owners may pursue a remedy. In all events, recovery under any remedy pursued is for the equal and pro rata benefit of the registered owners of the bonds then outstanding under the Indenture. ***The Series 2015 Bonds are not secured by any other mortgage or security interest on or in any assets or properties of the District, the City or the County or in or on the funds under the Indenture or the Projects as defined in the Project Funding Agreement.***

The District has no assets or properties.

DEBT SERVICE REQUIREMENTS

The table on the following page sets forth the debt service requirements using estimated market interest rates on the District's indebtedness following the issuance of the Bonds:

[SEE TABLE ON NEXT FOLLOWING PAGE]

Period Ending	Principal	Interest	Debt Service
9/30/2016	700,000	965,701.38	1,665,701.38
9/30/2017	615,000	1,055,700.00	1,670,700.00
9/30/2018	630,000	1,043,400.00	1,673,400.00
9/30/2019	645,000	1,024,500.00	1,669,500.00
9/30/2020	665,000	1,005,150.00	1,670,150.00
9/30/2021	695,000	978,550.00	1,673,550.00
9/30/2022	725,000	943,800.00	1,668,800.00
9/30/2023	765,000	907,550.00	1,672,550.00
9/30/2024	800,000	869,300.00	1,669,300.00
9/30/2025	840,000	829,300.00	1,669,300.00
9/30/2026	880,000	787,300.00	1,667,300.00
9/30/2027	930,000	743,300.00	1,673,300.00
9/30/2028	955,000	715,400.00	1,670,400.00
9/30/2029	985,000	686,750.00	1,671,750.00
9/30/2030	1,030,000	637,500.00	1,667,500.00
9/30/2031	1,085,000	586,000.00	1,671,000.00
9/30/2032	1,140,000	531,750.00	1,671,750.00
9/30/2033	1,195,000	474,750.00	1,669,750.00
9/30/2034	1,255,000	415,000.00	1,670,000.00
9/30/2035	1,295,000	371,075.00	1,666,075.00
9/30/2036	1,345,000	325,750.00	1,670,750.00
9/30/2037	1,400,000	265,993.76	1,665,993.76
9/30/2038	1,465,000	203,831.26	1,668,831.26
9/30/2039	1,530,000	138,762.50	1,668,762.50
9/30/2040	1,600,000	70,925.00	1,670,925.00
	25,170,000	16,577,038.90	41,747,038.90

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THE PLAN OF FINANCING

Proceeds of the Series 2015 Bonds will be used for the purposes of (i) financing the City's and County's obligations under that certain Project Funding Agreement, to construct and renovate schoolhouse and related educational and other facilities, for the Loveless Academic Magnet High School and the Montgomery Technical Education Center and to construct additional school and athletic facilities for Park Crossing High School, all located within the corporate limits of the City and, (ii) paying the costs of issuance of the Series 2015 Bonds. The description of the proposed projects may be amended by action of the Board of the District after amending its Certificate of Incorporation.

ESTIMATED SOURCES AND USES OF FUNDS

The following is the estimated Sources and Uses of Funds for the Series 2015 Bonds:

Sources	
Series 2015 Proceeds (par value)	$ 25,170,000.00
Plus Net Premium	$ 2,179,924.60
Total Sources	$27,349,924.60

Uses	
Deposit to Construction Fund	$27,000,000.00
Issuance Costs (including underwriting, trustee fees, debt service reserve surety bond premium, insurance premium and legal fees and expenses)	$ 349,924.60
Total Uses	$27,349,924.60

THE DISTRICT

In General

The District is a public corporation and instrumentality of the State of Alabama incorporated in Montgomery County, Alabama. The District has all the powers and duties prescribed pursuant to the Enabling Law. The District has two members: the City and the County. All powers of the District are invested in its Board of Directors, currently consisting of five members who are jointly selected by the governing bodies of the City and County. Each Director shall serve without compensation.

The current members of the directors of the District, the officers and their terms of office are:

	Terms of Office
Daniel Harris, Jr., Chairman	February 3, 2019
Charles Jinright, Vice Chairman/Secretary-Treasurer	February 3, 2019
Elton N. Dean, Sr.	February 3, 2019
Todd Strange	February 3, 2019
Margaret Allen	February 3, 2019

No Debt Limitation

The District has full power to incur indebtedness, payable solely out of the revenues pledged therefor without limitation as to principal amount subject to the conditions set forth in the Indenture. The District is not subject to any general constitutional or statutory debt limit.

THE CITY

The City is a body politic and corporate organized under the laws of the State of Alabama in 1837. Since 1975, the City has been governed under a Mayor-Council form of government, which was established pursuant to Act Number 73-618 adopted on August 28, 1973 at a 1973 Session of the Alabama Legislature. The Mayor is elected in a city-wide vote to a 4-year term and the members of the City Council are elected from each of nine single member districts throughout the City to 4-year terms. The City Council elects from among its members a President of the Council who serves at the pleasure of the City Council. The Mayor is charged with the administration of the day-to-day activities of the City, while the City Council exercises legislative powers and institutes policy decisions. The current terms of the Mayor and all nine Council members end in November 2015. The City operates on a fiscal year basis from October 1st of a calendar year to September 30th of the following calendar year.

The governing body of the City is the City Council which is composed of nine (9) council members. The current members of the City Council and the ending dates of their respective terms of office are as follows:

District 1	Richard Bollinger	November 2015
District 2	Charles W. Smith	November 2015
District 3	Tracy Larkin, President Pro Tem	November 2015
District 4	David Burkette	November 2015
District 5	Cornelius "C.C." Calhoun	November 2015
District 6	Jon Dow	November 2015
District 7	Arch Lee	November 2015
District 8	Glen Pruitt, Jr.	November 2015
District 9	Charles Jinright – Council President	November 2015

The City's obligations with respect to the Bonds are limited in the City Funding Agreement to the City Percentage of the payment of Debt Service on the Bonds when due and payable thereunder. With respect to its obligations under the City Funding Agreement and the related City Warrant, the City has pledged its full faith, credit and taxing powers to its obligations under the Funding Agreement and the City Warrant.

Additional information relating to the operations of the City and its financial system is included as APPENDIX C – The City. The City's audited comprehensive annual financial report for the fiscal year ended September 30, 2014 is attached as APPENDIX D hereto.

THE COUNTY

The County is a political subdivision of the State of Alabama. The County is located in central Alabama and is part of the United States Census Bureau's Montgomery, Alabama Metropolitan Statistical Area ("MSA"). According to the 2010 Federal Census, the population of the County was 229,363. The City of Montgomery is the county seat of the County and is the capital of the State of Alabama. The County was established in 1816. The County has a land area of approximately 800 square miles.

The County's obligations with respect to the Bonds are limited in the County Funding Agreement to the County Percentage of the payment of Debt Service on the Bonds when due and payable thereunder. With respect to its obligations under the County Funding Agreement and the related County Warrant, the County has pledged its full faith and credit and taxing powers to its obligations under the Funding Agreement and the County Warrant.

Additional information relating to the operations of the County and its financial system is included as APPENDIX A – The County. The County's audited financial report for the fiscal year ended September 30, 2013 is attached as APPENDIX B hereto.

The governing body of the County is Montgomery County Commission ("County Commission"), which is composed of five commissioners. The current members of the County Commission and the ending dates of their respective terms of office are as follows:

		Term Expires:
District 1	Daniel Harris, Jr., Vice Chairman	November 2016
District 2	Elton N. Dean, Sr., Chairman	November 2016
District 3	Ronda M. Walker	November 2016
District 4	Jiles Williams, Jr.	November 2016
District 5	Andrew D. Hall	November 2016

The major responsibilities of the County Commission are to administer the County's finances, serve as custodian of all of the County's property, collect taxes, allocate resources for the construction of buildings, roads and other public facilities, provide for delivery of certain basic public services (such as medical care, care for the indigent and law enforcement) and make appointments to various governmental boards and agencies.

The County Administrator is Donald L. Mims. The County Administrator is appointed by the County Commission and is responsible for the day-to-day operation of the County government.

RISK FACTORS

An investment in the Series 2015 Bonds 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 Series 2015 Bonds are an appropriate investment for them. The risks factors include, but are not limited to, the following:

Limited Obligations

The Bonds are limited obligations to the District payable solely from the revenues received from the City and the County under their respective Funding Agreements and the City Warrant and the County Warrant. No mortgage or security interest is granted in any asset or property to secure the Bonds or the obligations of the City or County under their respective Funding Agreements and Warrants.

Tax-Exempt Status of Series 2015 Bonds

It is expected that the Series 2015 Bonds will qualify as tax-exempt obligations for federal income tax purposes as of the date of issuance. Bond counsel is expected to deliver an opinion with respect to certain aspects of the tax status of the Series 2015 Bonds. See "TAX EXEMPTION FOR SERIES 2015 BONDS". That opinion is attached to this Official Statement as APPENDIX C and 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 the 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 Holders about subsequent developments.

The tax status of the Series 2015 Bonds could be affected by post-issuance events. There are various requirements of the Internal Revenue Code that must be observed or satisfied after the issuance of the Series 2015 Bonds in order for the Series 2015 Bonds to qualify for, and retain, tax-exempt status. These requirements include use of the proceeds of the Series 2015 Bonds for permitted purposes, use of the facilities financed by the Series 2015 Bonds for permitted purposes, investment of bond proceeds, and the rebate of so-called excess arbitrage earnings. Compliance with these requirements is the responsibility of the District.

The Internal Revenue Service conducts an audit program to examine compliance with the requirements regarding tax-exempt status. Under current IRS procedures, in the initial stages of an audit with respect to the Series 2015 Bonds the

District would be treated as the taxpayer, and the owners of the Series 2015 Bonds may have limited rights to participate in the audit process. The initiation of an audit with respect to the Series 2015 Bonds could adversely affect the market value and liquidity of the Series 2015 Bonds, even though no final determination about the tax-exempt status has been made. If an audit results in a final determination that the Series 2015 Bonds do not qualify as tax-exempt obligations, such a determination could be retroactive in effect to the date of issuance of the Series 2015 Bonds.

In addition to post-issuance compliance, a change in law after the date of issuance of the Series 2015 Bonds could affect the tax-exempt status of the Series 2015 Bonds or the effect of investing in the Series 2015 Bonds. For example, Congress could eliminate the exemption for interest on the Series 2015 Bonds or it could cap the amount of the interest exempted, or it could reduce or eliminate the federal income tax, or it could adopt a so-called flat tax.

The Indenture does not provide for the acceleration or redemption of any of the Series 2015 Bonds, payment of any additional interest or penalty if a determination is made that the Series 2015 Bonds do not comply with the existing requirements of the Internal Revenue Code or if a subsequent change in law adversely affects the tax-exempt status of the Series 2015 Bonds or the effect of investing in the Series 2015 Bonds.

Enforceability of Remedies

The remedies available to the Trustee and the owners of the Series 2015 Bonds upon the occurrence of an Event of Default under the Indenture 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 Indenture 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 Series 2015 Bonds (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.

SOURCES OF INFORMATION

All information contained in the Official Statement has been obtained from sources which are believed to be reliable; however, all such information is subject, in all respects, to the complete body of information contained in the original sources thereof, and no guaranty, warranty or other representation is made by the District respecting the accuracy or completeness of the information. In all instances, reference is invited to be made to the sources of information mentioned therein including, but not limited to, the legal opinion of Bond Counsel, the Indenture, and the financial statements of the City and County referenced herein.

Neither the delivery of this Official Statement nor any sale of the Series 2015 Bonds made in connection herewith, shall, under any circumstances, create any implication that there has been no change in the affairs of the District or of the County or the City since the date of this Official Statement or the earlier stated date as of which such information contained herein is given.

LITIGATION

There is not now pending any litigation restraining, enjoining, or in any manner questioning or affecting the creation, organization or existence of the District; the title of the present members of the Board of Directors or the officers of the District to their respective offices and positions; the validity of the Series 2015 Bonds; the Indenture; or the proceedings and District under which the Series 2015 Bonds are to be issued.

There is not now pending any litigation restraining, enjoining, or in any manner questioning or affecting the creation, organization or existence of the City; the title of the present members of the City Council or the officers of the City to their respective offices and positions; the validity of the City Funding Agreement or the proceedings and District under which the City Warrant is to be issued.

There is not now pending any litigation restraining, enjoining, or in any manner questioning or affecting the creation, organization or existence of the County; the title of the present members of the Montgomery County Commission or the officers of the County to their respective offices and positions; the validity of the County Warrant or the proceedings and County under which the County Warrant is to be issued.

The immunity from tort liability formerly enjoyed by local governmental units in Alabama has been largely eroded by recent court decisions. While Chapter 93 of Title 11 of the Code of Alabama 1976, as amended, now prescribes certain maximum limits on the liability of Alabama local governmental units (such as the District) for bodily injury, sickness, disease or death sustained by a person and for injury or destruction of tangible property, the constitutional validity of Chapter 93 has not been definitively determined. Additionally, Chapter 98 has no applicability to causes of action under Section 1983 or Section 1985 of Title 42 of the United States Code. Local governments throughout the county have been increasingly subjected to lawsuits – many of which seek substantial damages – for alleged denials of civil rights under the provisions of Section 1983 and Section 1985.

TAX EXEMPTION FOR SERIES 2015 BONDS

Capell & Howard, P.C., Bond Counsel, is of the opinion that, under the Internal Revenue Code of 1986, as amended to date (herein referred to as the "Code"), as presently construed and administered, and assuming continuing compliance by the District with its covenants pertaining to the requirements of federal tax law that are set forth in the Indenture, the interest on the Series 2015 Bonds will be excludable from the gross income of the recipient thereof for Federal and Alabama income tax purposes and will not constitute an item of tax preference for purposes of the Federal alternative minimum tax imposed by Code Section 55 on individuals and corporations; it should be noted, however, that with respect to corporations (as defined for Federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on such corporations. The opinions set forth in the preceding sentence are subject to the condition that the District comply with all requirements of the Code, and the regulations effective and applicable thereunder, that must be satisfied subsequent to the issuance of the Series 2015 Bonds in order that interest thereon be, or continue to be, excluded from gross income for Federal income taxation purposes. The District has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2015 Bonds in gross income for Federal income tax purposes to be retroactive to the date of issuance of the Series 2015 Bonds. No opinion will be expressed regarding other Federal income tax consequences arising with respect to the Series 2015 Bonds.

Prospective purchasers of the Series 2015 Bonds should be aware that (i) Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2015 Bonds or, in the case of a financial institution, that portion of a holder's interest expense allocated to interest on the Series 2015 Bonds, except with respect to certain "qualified tax-exempt obligations" held by certain financial institutions (within the meaning of Section 265(b)(5) of the Code), (ii) with respect to insurance companies subject to the tax imposed by Section 831 of the Code, the interest on the Series 2015 Bonds received by such property and casualty insurance company will reduce the deduction available to such company under Section 832 of the Code for losses incurred, by 15% of the interest accrued or received during that year, (iii) interest on the Series 2015 Bonds earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code, (iv) passive investment income, including interest on the Series 2015 Bonds, may be subject to Federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income and (v) Section 896 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining gross income, receipts or accruals of interest on the Series 2015 Bonds.

In the Indenture, the District has covenanted in effect that it will, to the extent permitted by law, comply with the provisions of the Code that constitute conditions or requirements for the exclusion of the interest on the Series 2015 Bonds from the gross income of the recipient thereof for Federal income tax purposes pursuant to the provisions of Section 103 of the Code.

Proposed, pending or future tax legislation, administrative actions taken by tax authorities or court decisions, rather at the federal or state level, may adversely affect the tax-exempt status of the interest on the Series 2015 Bonds subsequent to their issuance. Future legislation could directly or indirectly reduce or eliminate the value of certain deductions and exclusions, including the benefit of any tax-exempt interest on the Series 2015 Bonds from gross income for federal income tax purposes. Any such proposed legislation, actions or decision whether or not enacted, taken or rendered, could also adversely affect the value and liquidity of the Series 2015 Bonds.

The Series 2015 Bonds are not "qualified tax-exempt obligations" for purposes of §265(b)(3) of the Code (i.e., not bank-qualified).

Bond Counsel is further of the opinion that the interest on the Series 2015 Bonds is exempt from present Alabama income taxation, as presently construed and administered.

The proposed form of Bond Counsel Opinion with respect to the Series 2015 Bonds is included in APPENDIX C attached hereto.

Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on tax-exempt obligations such as the Series 2015 Bonds is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payment to any bondholder of the Series 2015 Bonds who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2015 Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

TAX ACCOUNTING TREATMENT OF ORIGINAL ISSUE DISCOUNT

The Series 2015 Bonds are being offered to the public at the prices shown on the cover hereof. The initial public offering prices to be paid for the Series 2015 Term Bonds maturing in 2028 and 2035 and certain of the Series 2015 Term Bonds maturing in 2040 (the "Discount Bonds") are less than their respective stated amount to be paid at the maturity of such bonds. Under present federal income tax law, the difference between the Issue Price (as defined below) and the stated amount to be paid at the maturity of a Discount Bond is referred to as Original Issue Discount (herein referred to as "OID"). OID is treated as interest on the Discount Bonds and is not includable in gross income for federal income tax purposes in the case of holders who (i) purchase the Discount Bonds at the initial offering price in the initial public offering at which a substantial amount of the Discount Bonds are sold to the public (the "Issue Price"), and (ii) hold such Discount Bonds to maturity.

Generally, a holder who acquires a Discount Bond in the initial public offering at the Issue Price will be treated as having received, in each taxable year from the date of issuance of that Discount Bond, an amount of interest on that Discount Bond equal to the OID accrued daily and compounded semi-annually on each Interest Payment Date, even though no interest payment was made with respect to the OID. Under existing law, the amount of interest representing OID that is treated as having been received is excluded from gross income and is added to the holder's adjusted basis in the Discount Bond for the purpose of determining gain or loss upon a sale or redemption of such Discount Bond. The amount to be added to basis for each accrual period is equal to (a) the sum of the Issue Price and the amount of OID accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during each accrual period of such Discount Bond.

OID on the Discount Bonds will be deemed to have been received in the year of accrual and will be taken into account in determining the respective amounts of the collateral federal taxes referred to herein and, in some cases, state and local income, excise and franchise taxes, even though the holder of the Discount Bonds will not have received corresponding cash payments.

In the event of the redemption, sale or other taxable disposition of such Discount Bonds prior to the Discount Bonds stated maturity, however, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the OID allocable to the period for which such Discount Bond was held by such initial owner) is includable in gross income.

Holders of the Discount Bonds should consult their own tax advisors as to the tax consequences of the purchase of the Discount Bonds other than at the Issue Price, and as to the consequences of a sale, transfer, redemption or other disposition of the Discount Bonds prior to their stated maturity, other applications of federal tax law and the application of state, local or foreign laws.

TAX ACCOUNTING TREATMENT OF ORIGINAL ISSUE PREMIUM

The initial public offering prices to be paid for the Series 2015 Bonds maturing in 2016 through 2026, the Series 2015 Term Bonds maturing in 2030 and 2033 and certain of the Series 2015 Term Bonds maturing in 2040 are more than the principal amount thereof. An amount equal to the excess of the purchase price of a Bond over its stated redemption price at maturity constitutes original issue premium on such Bonds. A purchaser of a Bond with original issue premium must amortize any original issue premium over such Bond's term using constant yield principles, based on the purchaser's yield to maturity. As original issue premium is amortized, the purchaser's basis in such Bond 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 Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of any Series 2015 Bonds 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 original issue premium for federal income tax purposes and with respect to state and local tax consequences of owning such Series 2015 Bonds.

THE FEDERAL BANKRUPTCY ACT

The rights and remedies of the holders of the Series 2015 Bonds are subject to the provisions of Chapter 9 of Title 11 of the United States Code (the "Bankruptcy Act"), as amended. Chapter 9 permits, under certain specified 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, County or District — to file a petition for relief in the Federal Bankruptcy Court ("Court") if it is insolvent or unable to meet its debts as they mature and desires to effect a plan to adjust its debts. Under the statute, the filing of such a petition operates, with certain limited exceptions, as an "automatic" stay of the commencement or the continuation of any judicial or other proceedings against the petitioner, its property, or any officer or inhabitant thereof and as an "automatic" stay of any act or proceeding which seeks to enforce a lien on the property of the petitioner or a lien on any taxes or assessments due to the petitioner. Such filing of a petition does not operate as a stay of application of pledged special revenues to payment of debt secured by such revenues. Chapter 9 also permits a political subdivision that files a petition under the Bankruptcy Act to issue, with the approval of the Court, certificates of indebtedness having priority of payment over pre-existing obligations.

Any political subdivision filing a petition for relief under Chapter 9 must in due course file a plan for the adjustment of its debts, and such plan may include provisions modifying or altering the rights of creditors generally, or any class of them, secured or unsecured. Such plan, when confirmed by the Court, binds all creditors who had notice or knowledge of the plan and discharges all claims against the petitioning political subdivision provided for in the plan when (a) the petitioning subdivision has deposited, with a duly appointed disbursing agent, all money, securities or other consideration required by the plan to be distributed, and (b) the Court is satisfied that any securities to be so distributed are valid obligations of the petitioning political subdivision and that any provision to pay or secure such obligations is also valid. No plan may, however, be confirmed by the Court unless certain conditions occur, among which are (1) that the plan has been accepted in writing by two-thirds (2/3) in amount and fifty percent (50%) in number of the allowed claims of each class which are affected by the plan, and (2) that the plan is fair, equitable and feasible and does not discriminate unfairly in favor of any creditor or class of creditors.

The Bankruptcy Act also contains a provision relating to the post-petition effect of a security interest in tax revenues or utility revenues of the debtor. The effect of this provision is that for "special revenues," the filing of a Chapter 9 proceeding does not terminate the pledge of such special revenues. However, the pledge of such special revenues will be subject to payment of the necessary expenses of operation and maintenance of the public body.

"Special revenues," the pledge of which survive bankruptcy, are defined as including:

"(A) receipts derived from the ownership, operation, or disposition of projects or systems of the debtor that are primarily used or intended to be used primarily to provide transportation, utility, or other services, including the proceeds of borrowings to finance the projects or systems;"

The question is not free from doubt, and the exact meaning of these phrases is subject to judicial construction which has not yet taken place.

While the matter is not entirely free from doubt, prospective purchasers of the Series 2015 Bonds should assume that existing Alabama statutes presently authorize the District to file petitions for relief under Chapter 9.

RATINGS

Standard & Poor's Ratings Services has assigned an underlying rating of "AA" solely based on the creditworthiness of the City and County and their funding obligations under their respective Funding Agreements to the Series 2015 Bonds. Any rating of the Bonds is likely to be affected by any change in ratings of the City and the County.

The ratings of the Series 2015 Bonds, and the ratings of the City and County, by such rating agency reflect only the views of such agency at the time such ratings are given, and neither the District, City nor the County makes any representations as to the appropriateness of any rating. The above ratings are not recommendations to buy, sell or hold the Series 2015 Bonds. An explanation of the significance of such credit ratings may be obtained only from the credit rating agency furnishing the same. There is no assurance that any rating on the Series 2015 Bonds or with respect to the City or County will continue for any given period of time or that such ratings may not be suspended, lowered or withdrawn entirely by the rating agency if, in the judgment of the credit rating agency in question, circumstances warrant such action. Any such downward change in or withdrawal of any rating on the Series 2015 Bonds may have an adverse effect on the secondary market for the Series 2015 Bonds and on the price thereof. Neither the District nor any other person or entity will undertake any responsibility after the issuance of the Series 2015 Bonds to assure maintenance of the ratings or to oppose any revisions or withdrawals thereof, nor has the District or any other person or entity undertaken any responsibility to bring to the attention of any holders of any of the Series 2015 Bonds of any proposed revision, suspension or withdrawal of a rating.

UNDERWRITING

The Series 2015 Bonds are being purchased by the Underwriters at a price of $27,161,149.60, which represents the par amount of the Series 2015 Bonds ($25,170,000), less an underwriting discount of $188,775, plus net original issue premium of $2,179,924.60. The Underwriters intend to offer the Series 2015 Bonds to the public. The initial public offering price set forth on the cover page may be changed by the Underwriters. The Underwriters may offer the Series 2015 Bonds to certain dealers and others at prices lower than the public offering price set forth on the cover page.

LEGAL MATTERS

The legality and validity of the Series 2015 Bonds and their issuance by the District are subject to the approval of Capell & Howard, P.C., Montgomery, Alabama, Bond Counsel, whose approving opinion will be printed on the Series 2015 Bonds. Such opinion is expected to be in substantially the form attached hereto as APPENDIX F. See "APPENDIX F-Proposed Bond Counsel Opinion". Certain legal matters respecting the District will be passed on by its counsel Gilpin Givhan, P.C., Montgomery, Alabama. Certain legal matters will be passed on by the Underwriters by its counsel, Rushton, Stakely, Johnston & Garrett, P. A., Montgomery, Alabama.

The various legal opinions to be delivered concurrently with the delivery of the Series 2015 Bonds 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 of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

CONTINUING DISCLOSURE

In General

In order to provide continuing disclosure with respect to the Series 2015 Bonds in accordance with the provisions of Rule 15c2-12 (the "Rule") promulgated by the United States Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934, each of the District, the City and the County will enter into a Continuing Disclosure Agreement ("Disclosure Agreement") for the benefit of the holders of that series of the Series 2015 Bonds.

Under each Disclosure Agreement, each of the District, City and County will agree to provide certain information and notices to the Municipal Securities Rulemaking Board ("MSRB") in compliance with the requirements of the Rule ("Continuing Disclosure") as summarized.

Annual Disclosure

Each of the City and County (each an "Obligor") shall annually provide within 180 days after the end of its fiscal year the following financial information and operating data relating to the Obligor providing the same on an annual basis (the "Annual Financial Information"):

(A) the assessed value of all taxable property within the territorial limits of the Obligor relating to the previous fiscal year;
(B) total ad valorem tax collections for the previous fiscal year of the Obligor;
(C) total sales and use tax collections for the previous fiscal year of the Obligor;
(D) a list of the outstanding principal amounts of all general obligation indebtedness of the Obligor as of the end of the previous fiscal year;
(E) a statement of revenues, expenditures and changes in fund balances for the Obligor's General Fund for the previous fiscal year; and
(F) a copy of the Obligor's General Fund budget for the then current fiscal year.

To the extent any item of information listed above is dependent on receipt of updated information from the Montgomery County Revenue Commissioner or any other third party, each Obligor will provide the information, if and when received. If the information is not available by the filing deadline, then each Obligor will comment in its annual report filed that such information was requested, was not available from the designated third party by the filing deadline and will be provided promptly following receipt. To the extent the information is dependent on audited financial information which is not available by the filing deadline, the information provided will contain unaudited figures.

In addition, if not submitted as part of the Annual Financial Information, the Obligors shall provide the audited financial statements, prepared on the basis of the same accounting principles with which the Obligor's audited financial statements attached hereto as an appendices were prepared unless otherwise noted in such audited financial statements. If such audited financial statements are not available, the Obligor shall provide unaudited statements. See APPENDICES B and D herein.

Each Obligor shall provide in a timely manner to the MSRB notice specifying any failure of the Obligor to provide the Continuing Disclosure by the date specified in the Disclosure Agreement for that Obligor.

If the District prepares audited financial statements, then, in accordance with the provisions of the Rule, the District agrees to cause to be provided to the MSRB, within thirty (30) days of its receipt, such audited financial statements. Any such financial statements, if any are prepared, shall be prepared in accordance with generally accepted accounting principles. In no event shall the District's agreement under its Disclosure Agreement to file audited financial statements if any such audited statements are prepared for the District require the District to cause to be prepared any such audited financial statements or be deemed to constitute an agreement or covenant of the District to cause any of such financial statements to be prepared. The District has no assets or properties.

Event Disclosure

Each Obligor and the District shall provide in a timely manner to the MSRB notice of the occurrence of any of the following events with respect to the Series 2015 Bonds ("Notice Event"), not later than ten business days after the occurrence of any of such events:

(a) principal and interest payment delinquencies with respect to the Series 2015 Bonds;

(b) non-payment related defaults, if material, with respect to the Series 2015 Bonds;

(c) unscheduled draws on debt service reserves with respect to the Series 2015 Bonds reflecting financial difficulties of the District;

(d) unscheduled draws on credit enhancements with respect to the Series 2015 Bonds reflecting financial difficulties of the District;

(e) substitution of credit or liquidity providers or their failure to perform with respect to the Series 2015 Bonds;

(f) adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (From 5701-TEB), or other material notices or determinations with respect to the tax status of the Series 2015 Bonds or other material events affecting the tax-exempt status of interest on the Series 2015 Bonds;

(g) modifications of the rights of the registered owners, if material, with respect to the Series 2015 Bonds;

(h) bond calls, if material, and tender offers with respect to the Series 2015 Bonds;

(i) defeasance of the lien of the Series 2015 Bonds or the occurrence of circumstances, which, pursuant to such authorizing proceedings, would cause the Series 2015 Bonds, or any of them, to be no longer regarded as outstanding thereunder;

(j) release, substitution, or sale of property securing repayment of the Series 2015 Bonds, if material;

(k) rating changes for the Series 2015 Bonds;

(l) bankruptcy, insolvency, receivership or similar event with respect to the District or an Obligor; provided, for the purposes of the event identified herein, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District or an Obligor 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 District or an Obligor, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the District or an Obligor in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District or an Obligor;

(m) the consummation of a merger, consolidation, or acquisition involving an Obligor or the sale of all or substantially all of the assets of an Obligor, 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

(n) appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Annual Financial Information and notice of Notice of Events are required to be filed electronically with the MSRB in the form and of the content required by the MSRB, including the Electronic Municipal Market Access System ("EMMA"), which is operated by the MSRB, and with any Alabama state information repository. EMMA may be reached at www.emma.msrb.org.

Termination and Resignation

The covenants and obligations of the Obligors and District specified above as to the Series 2015 Bonds will terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all of the Series 2015 Bonds.

Each of the Obligors reserves the right to terminate its respective obligation to provide Annual Financial Information and notice of Notice of Events, as set forth above, with respect to a series of the Series 2015 Bonds, if and when such Obligor or District, as the case may be, no longer remains an obligated person with respect to the Series 2015 Bonds within the meaning of the Rule.

The Obligors and the District can give no assurance that the information to be disclosed is all of the information which may affect the market price or the value of the Series 2015 Bonds.

Amendment

Each of the Obligors and the District reserve the right to modify their respective obligations described above and to modify from time to time the specific types of information provided or the format of the presentation of such information, all without Holder consent, provided that such modification complies with the Rule as it exists at the time of modification and satisfies the following conditions as applicable:

(i) The undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(ii) An opinion of counsel expert in federal securities laws acceptable to both the District and the Obligor is received to the effect that such amendment does not materially impair the interests of the holders (within the meaning of the Rule) of the Series 2015 Bonds then outstanding.

Defaults

Any failure by an Obligor or the District to comply with the provisions of the Disclosure Agreement or its continuing disclosure obligations under the Rule shall never subject the Obligor or the District to money damages in any amount, whether compensatory, penal or otherwise, to the Trustee or Holders of the Series 2015 Bonds.

If an Obligor or the District fails to comply with any covenant or obligation specified in their applicable Disclosure Agreement or otherwise with its obligations for Continuing Disclosure, any holder (within the meaning of the Rule) of the Series 2015 Bonds then outstanding may, as its only remedy, proceed to protect and enforce its rights and the rights of the other holders by an action for mandamus or specific performance of the Obligor's or District's covenant to provide the required information if the Obligor or District fails to cure such failure within thirty (30) days after written notice of the failure.

Notwithstanding anything herein to the contrary, any failure of an Obligor of the District to comply with any covenant or obligation specified above shall not be deemed to constitute an "Event of Default" under the Indenture.

Additional Disclosure

The District or an Obligor may from time to time disclose certain information and data in addition to the Continuing Disclosure, if in the judgment of such Obligor or the District, as the case may be, any such other event as material with respect as to the Series 2015 Bonds, but neither of the Obligors nor the District undertakes to provide any such notice of the occurrence of a material event except the Notice Events. Notwithstanding anything herein to the contrary, neither the District nor either Obligor shall incur any obligation to continue to provide, or to update, such additional information or data.

Failures

County

During the previous five years, the County has failed to file its Annual Financial Information on or before the due date as required on the terms of the prior continuing disclosure undertakings entered into by it pursuant to the Rule. Specifically, on November 19, 2010, the County filed its audited financial statement for the fiscal year ending September 30, 2009; on January 24, 2012, the County filed its audited financial statements for the fiscal year ending September 30, 2010; on November 26, 2012, the County filed its audited financial statements for the fiscal year ending September 30, 2011;on October 1, 2013, the County filed its audited financial statements for the fiscal year ending September 30, 2012; and on January 1, 2015, the County filed its audited financial statements for the fiscal year ending September 30, 2013; on April 29, 2014, the County filed its Annual Financial Information for the fiscal year ending September 30, 2013; on December 15, 2014, the County filed its audited financial statement for the fiscal year ending September 30, 2013, all of such dates were past the date required to be filed under their respective continuing disclosure undertakings. On April 29, 2014, the County filed its Annual Financial Information for the fiscal year ending September 30, 2013, which also contained operating data for its fiscal years ending September 30th for each of 2010 through 2012. The audited financial statements and other information heretofore filed by the County do not include the assessed value of all taxable property within the County, the County's General Fund Budget for the then current fiscal years, or certain other information required under the terms of the prior continuing disclosure undertakings entered into by the County pursuant to the Rule, some of which undertakings are no longer in effect. The audited financial statements for fiscal year 2014 were not filed by the required filing deadline and still are not available. The County filed a form of unaudited financial information for the fiscal year ending September 30, 2014 and its budget for fiscal year 2014 on December 31, 2014 and an updated version of the same information on April 8, 2014. In addition, certain notices for rating agency upgrades and downgrades of the County and notices of late filing were not posted in a timely manner.

City

During the previous five years, the City has failed to file its Annual Financial Information on or before the due date as required on the terms of its prior continuing disclosure undertakings entered into pursuant to the Rule. Specifically, on October 29, 2012, the City filed its audited financial statements for the fiscal year ending September 30, 2010; on November 8, 2012, the City filed its audited financial statements for the fiscal year ending September 30, 2011; on May 13, 2013, the City filed its audited financial statements for the fiscal year ending September 30, 2012; on April 7, 2015, the City has filed its audited financial statements for the fiscal years ending September 30, 2013 and September 30, 2009. On March 20, 2015, the City filed its audited financial statements for the fiscal year ending September 30, 2014. The audited financial statements contain the updated operating data required by the prior continuing disclosure undertakings of the City. In addition, certain notices for rating agency upgrades and downgrades of the City and notices of late filings were not posted in a timely manner.

FINANCIAL STATEMENTS AND OTHER APPENDICES

The financial statements of the County as of September 30, 2013 for the fiscal year then ended, is included in this Official Statement as APPENDIX B, respectively, have been audited by the State Department of Public Examiners. The City's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2014 for the fiscal year then ending, are included in this Official Statement as Appendix D and have been audited by Jackson Thornton & Co., C.P.A of Montgomery, Alabama, independent certified public accountants, as set forth in their report letter dated March 10, 2015, which report letter also appears in APPENDIX D. The Appendices attached to this Official Statement are an integral part thereof and should be carefully reviewed for a complete understanding of all pertinent information with respect to the Series 2015 Bonds and their security and source of payment.

PREPARATION AND CIRCULATION OF OFFICIAL STATEMENT

The information in this Official Statement has been provided by the District, the City and the County based on information and data which it believes to be correct, but such information is not guaranteed as to accuracy or completeness. All estimates and assumptions contained herein are believed to reliable, but no representation is made that such estimates or assumptions are correct or will be realized.

MISCELLANEOUS

NEITHER THIS OFFICIAL STATEMENT NOR ANY STATEMENT WHICH MAY HAVE BEEN MADE ORALLY OR IN WRITING IS TO BE CONSTRUED AS A CONTRACT WITH THE REGISTERED OWNERS OF ANY OF THE SERIES 2015 BONDS.

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

Any information or expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create an indication that there has been no change as to the affairs of the District since the date hereof.

INSOFAR AS ANY STATEMENTS ARE MADE IN THIS OFFICIAL STATEMENT INVOLVING MATTERS OF OPINION OR ESTIMATES OR PROJECTIONS, WHETHER OR NOT SO EXPRESSLY STATED, THEY ARE SET FORTH AS SUCH AND NOT AS REPRESENTATIONS OF FACT, AND NO REPRESENTATION IS MADE THAT ANY OF THE ESTIMATES OR PROJECTIONS WILL BE REALIZED.

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 within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements have both known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the District to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, population trends, political and economic developments that could adversely affect the collection of revenues. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. The District 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.

All quotations from and summaries and explanations of provisions of laws and documents herein do not purport to be complete, and references made to such laws and documents for full and complete statements of their respective provisions.

All of the descriptions and summaries of the statutes, resolutions, opinions, agreements, financial data, revenue projections, engineering studies, and other related reports described in this Official Statement and the appendices hereto are made subject to all the provisions of such documents in their entireties. The descriptions and summaries do not purport to be complete statements of such provisions and reference must be made to such documents for full and complete statements of their provisions, copies of which are either publicly available or available for inspections during normal business hours at:

The Montgomery County Public Education Cooperative District
307 South Decatur Street
Montgomery, Alabama 36104

[Execution to Follow on Next Following Page]

The distribution of this Official Statement has been approved by the Board of Directors of the District and is dated as of the date set forth below.

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT

By: ______________________________
As Its Chairman

Dated: April 16, 2015

APPENDIX A

<u>THE COUNTY</u>

See Attached.

A-1

APPENDIX B

COUNTY FINANCIAL INFORMATION

See Attached.

B-1

APPENDIX C

<u>THE CITY</u>

See Attached.

C-1

APPENDIX D

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR
FISCAL YEAR ENDED SEPTEMBER 30, 2014

See Attached.

D-1

APPENDIX E

SUMMARY OF THE TRUST INDENTURE

See Attached.

APPENDIX F

PROPOSED FORM OF BOND COUNSEL OPINION

See Attached.

F-1

SCHEDULE 2

FUNDING AGREEMENT

Among

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT

And

MONTGOMERY COUNTY, ALABAMA

And

REGIONS BANK

Dated as of May 1, 2015

Relating to

$25,170,000

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT

Limited Obligation Revenue Bonds
Series 2015

Dated May 6, 2015

FUNDING AGREEMENT

This **FUNDING AGREEMENT** is made and entered as of May 1, 2015 by and among **MONTGOMERY COUNTY, ALABAMA,** a political subdivision of the State of Alabama (the "County"), **THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT**, an Alabama public corporation (the "District"), and **REGIONS BANK,** as trustee under the Indenture referenced below (the "Trustee").

Recitals

Pursuant to Section 11-99B-12 of the Code of Alabama 1975 (the "Enabling Law") for the purposes expressed therein and herein and for the benefit of the holders of the within referenced bonds, the County, the District, and the Trustee have delivered this Agreement simultaneously with the issuance and sale by the District of the following bonds (the "Bonds") under and pursuant to Trust Indenture dated as of May 1, 2015 (the "Indenture") by the District and the Trustee:

$25,170,000
Limited Obligation Revenue Bonds
Series 2015

Agreement

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants and agreements herein contained, the County, the District, and the Trustee hereby covenant, agree and bind themselves as follows:

ARTICLE 1

DEFINITIONS

Capitalized terms used herein without definition shall have the respective meanings assigned in the Recitals hereto or in the Indenture.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES

SECTION 2.01 Representations and Warranties of the District.

The District makes the following representations and warranties:

(a) The District is duly incorporated under the provisions of Chapter 99B of Title 11 of the Code of Alabama (1975), as amended, and has corporate power and authority to enter into this Agreement. The District is not in default under any of the provisions contained in its certificate of incorporation, its bylaws or in the laws of the State of Alabama. By proper corporate action the District has duly authorized the execution, delivery and performance of this Agreement.

(b) Pursuant to the Indenture, the District has issued and sold the Bonds, which shall be due and payable as to principal and interest on the dates and in the amounts all as set forth in Exhibit A hereto with interest rates set forth in the Indenture, subject to the prepayment provisions hereof and the optional redemption provisions of the Indenture.

(c) The Bonds were issued, sold and delivered upon condition, and purchased by the original Holders thereof in the reliance that simultaneously therewith the District would execute and deliver this Agreement.

SECTION 2.02 Representations and Warranties of the County.

The County hereby represents and warrants as follows:

(a) The County has corporate power and authority to enter into this Agreement and to carry out its obligations hereunder and by proper corporate action the County has duly authorized the execution, delivery and performance of this Agreement.

(b) The Bonds were issued, sold and delivered upon condition, and purchased by the original Holders thereof in the reliance, that simultaneously therewith the County would execute and deliver this Agreement.

(c) The issuance of the Bonds and the application of the proceeds thereof for the purposes set forth in the Indenture and in this Agreement will further the public and governmental purposes of the County and benefit residents of the County, by, among other things, providing and improving schoolhouse and other educational and related facilities within the County's territorial limits.

(d) The County acknowledges that the Bonds are secured on an equal and proportionate basis by pledge and assignment to the Trustee of this Agreement and the payments due hereunder and an agreement of even date between the District, the City of Montgomery, and the Trustee and the payments due thereunder. Upon the effective date of this Agreement, and subject to the County's right of prepayment and to direct the redemption of Bonds, as provided herein and in the Indenture, the County's portion of the scheduled principal and interest payable with respect to the Bonds is as set forth on Exhibit B.

(e) This Agreement is issued and delivered by the County pursuant to the Enabling Law.

ARTICLE 3

DURATION OF AGREEMENT

(a) Except as set forth in (b) below, the obligations of the County hereunder shall arise on the date of delivery of this Agreement and shall continue until the first to occur of:

(1) the performance and satisfaction by the County of all of its obligations under Section 4.01(a) hereof; or

(2) the Bonds shall have been Fully Paid as provided in the Indenture.

(b) In the event that the District shall issue bonds to refund the Bonds and the County shall have approved in a separate writing the continuation of the County's obligations hereunder in the County Percentage upon the issuance of the refunding bonds, then, notwithstanding that the Bonds have been Fully Paid as provided in the Indenture, then the County's obligations hereunder shall continue as to the refunding bonds as if such refunding bonds had been originally issued hereunder and the Warrant (as defined below) shall not be treated as fully paid and satisfied unless and until the refunding bonds are fully paid and satisfied, other than by the issuance of bonds by the District.

ARTICLE 4

AGREEMENTS AND OBLIGATIONS OF THE COUNTY

SECTION 4.01 **Payments by the County.**

(a) For the payment of the Bonds, the County hereby orders and directs the Finance Director of the County to pay to the Trustee, for the account of the District and in immediately available funds, the following payments (collectively the "Funding Agreement Payments"):

(1) at such time or times as shall be necessary to provide for the due and punctual payment of the County Percentage of the Bonds, on each Bond Payment Date in the amounts determined as follows:

(i) an amount equal to the County Percentage multiplied by the amount of interest on the Bonds which shall have become Due for Payment on any April 1 and October 1, or principal of the Bonds which shall have become Due for Payment on any April 1, an amount equal to the Debt Service which shall have become Due for Payment on such date;

(ii) an amount equal to the County Percentage multiplied by the principal amount of the Bonds to be optionally redeemed at the written direction of the County plus any interest accrued thereon Due for Payment; and

(iii) an amount equal to the County percentage multiplied by the amount of principal and interest due pursuant to an acceleration pursuant to Section 11.02 of the Indenture.

(2) the costs and expenses due under the Indenture, at such time or times as shall be necessary to provide for the due and punctual payment thereof.

(b) The Trustee shall deposit all amounts received from the County under Section 4.01(a) of this Agreement as provided in the Indenture and apply the same as provided therefor.

(c) The County and the Trustee agree:

(1) the obligations of and recourse against the County for payment of any amounts pursuant to this Agreement shall be limited to and shall not exceed the amounts determined from time to time as provided in Section 4.01(a),

(2) all payments hereunder by the County shall be valid and effectual to satisfy and discharge the liability of the County to the extent of the amounts paid and the County shall not be responsible or liable for payment to any Holder with respect to such amounts so paid by the County.

(d) (1) The obligation of the County to pay the Funding Agreement Payments shall be evidenced by a warrant, in substantially the form and content as set forth on Exhibit C hereto (the "Warrant"), delivered by the County to the Trustee.

(2) The Warrant shall be executed and delivered by the Chairman of the County, and registered by the County as a claim thereupon by the Administrator of the County, simultaneously with the delivery of this Agreement.

SECTION 4.02 **<u>Nature of Obligations of the County</u>.**

The obligations of the County to make the payments required under Section 4.01(a) of this Agreement shall constitute a general obligation of the County for which the full faith, credit, and taxing power of the County are hereby irrevocably pledged and shall be absolute and unconditional under any and all circumstances and in no way conditioned or contingent upon any attempt to collect any of such amounts from the District or any other person or to realize upon any property subject to the Indenture or upon any other direct or indirect security for the Bonds or resort to any other remedies.

SECTION 4.03 **Agreement to Perform Covenants Under the Indenture.**

The County agrees, covenants, represents, and warrants that it has received and reviewed the Indenture and covenants and agrees to observe and perform the agreements, covenants and obligations thereof set forth in the Indenture in due time, form, and manner as required thereby.

SECTION 4.04 **Continuing Disclosure Obligation**. The County, as an obligated person with respect to the Bonds, shall enter into a Continuing Disclosure Undertaking as required by Rule 15c2-12 of the Securities Exchange Act of 1934, as amended.

SECTION 4.05. **Pledge and Assignment**. The District does hereby assign, transfer, set over and pledge unto the Trustee, all of its rights, title and interests in, to and under this Agreement, so that (i) all of such rights, title and interests of the District under this Agreement become a part of the Trust Estate under the Indenture and (ii) upon the occurrence of an event of default and the continuance of the same hereunder while the Bonds remain outstanding the Trustee may exercise any and all rights and remedies granted to the District hereunder shall be subject to the terms and conditions herein contained and in the Indenture contained. The County does hereby agree to, consent to and acknowledge such pledge and assignment to the Trustee by the District hereunder and does hereby consent to and covenant and agree that the Trustee shall be entitled to exercise any and all rights and remedies provided hereunder, for and on behalf of the District, as if the District were directly and personally enforcing those rights and remedies themselves.

ARTICLE 5

OBLIGATIONS OF THE DISTRICT AND THE TRUSTEE

SECTION 5.01 **Obligations of the District.**

The District hereby agrees to comply with the provisions of the Indenture with respect to the application and investment of the proceeds of the Bonds.

SECTION 5.02 **Obligations of the Trustee.**

The Trustee hereby agrees to cause all amounts received from the County to be applied to the payment of the Bonds and certain costs and expenses incurred under the Indenture as provided in the Indenture.

SECTION 5.03 **Remedies of the County.**

The County hereby agrees that any failure of the District or the Trustee to comply with the provisions of Section 5.01 and Section 5.02 of this Agreement shall not constitute an event of default hereunder and shall not relieve or discharge the County from any obligation hereunder.

The County may, notwithstanding the foregoing, proceed to enforce the agreements of the District, including its payment obligations which are due and payable in all events until completed under Article 3 hereof, and the Trustee set forth in Section 5.01 and Section 5.02 of this Agreement by suit in equity, action at law, or other appropriate proceedings.

ARTICLE 6

EVENTS OF DEFAULT AND REMEDIES

SECTION 6.01 Events of Default

Any one or more of the following shall constitute an event of default by the County hereunder (an "Event of Default") under this Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) the County shall fail to make any payment required by Section 4.01(a) hereof when and as the same shall become due and payable; or

(b) the dissolution or liquidation of the County or the filing by the County of a voluntary petition in bankruptcy, or the County's seeking of or consenting to or acquiescing in the appointment of a receiver of all or substantially all its property, or the adjudication of the County as a bankrupt, or any assignment by the County for the benefit of its creditors, or the entry by the County into an agreement of composition with its creditors, or if a petition or answer is filed by the County proposing the adjudication of the County as a bankrupt or its reorganization, arrangement or debt readjustment under any present or future federal bankruptcy code or any similar federal or state law in any court, or if any such petition or answer is filed by any other person and such petition or answer shall not be stayed or dismissed within 60 days.

SECTION 6.02 Remedies of the District and Trustee

(a) If an Event of Default exists, the Trustee may, on behalf of the District and the Holders, proceed to protect its rights and the rights of the Holders of the Bonds by suit in equity, action at law or other appropriate proceedings, whether for mandamus or the specific performance of any covenant or agreement of any of the County herein contained or in aid of the exercise of any power or remedy granted to the Trustee under the Indenture.

(b) The Trustee may proceed directly against the County as provided herein without resorting to any other remedies which it may have and without proceeding against any other person or entity or any other security held by the Trustee.

SECTION 6.03 Limitation on Suits by Holders

Notwithstanding anything herein contained, no Holder shall have any right to institute any proceeding, judicial or otherwise, under or with respect to this Agreement, unless

(a) such Holder has previously given written notice to the Trustee of a continuing Event of Default;

(b) the Holders of not less than 25% in aggregate principal amount of the Outstanding Bonds shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(c) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities (including reasonable attorney's fees, costs and expenses) to be incurred in compliance with such request in accordance with the Indenture;

(d) the Trustee for 30 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such proceedings; and

(e) no direction inconsistent with such written consent has been given to the Trustee during such 30-day period by the Holders of a majority in principal amount of the Outstanding Bonds, it being understood and intended that no one or more Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Agreement to affect, disturb or prejudice the rights of any other Holders, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Agreement, except in the manner herein provided and for the equal and ratable benefit of all of the Holders of Outstanding Bonds.

SECTION 6.04 Remedies Subject to Applicable Law

All rights, remedies and powers provided by this Article may be exercised only to the extent the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that the same will not render this Agreement invalid or unenforceable.

ARTICLE 7

PREPAYMENT AND DIRECTION TO REDEEM BONDS

The County shall have the right to direct the District to optionally redeem Bonds in accordance with the provisions of the Indenture in Authorized Denominations to the extent of the scheduled principal set forth on Exhibit B hereto. With respect to the principal amounts set forth for 2036 through 2040, the indicated principal amounts shall be allocated as follows:

Year	2040 Premium Term Bond	2040 Discount Term Bond
2036	$ 510,000	$ 345,000
2037	530,000	360,000
2038	555,000	375,000
2039	570,000	400,000
2040	595,000	420,000

ARTICLE 8

THIRD-PARTY BENEFICIARY CONTRACT

This Agreement is a third-party beneficiary contract and the Holders are third-party beneficiaries of the covenants and agreements on the part of the District, the County and the Trustee contained herein as fully and completely as if the Holders were parties signatory hereto provided, that, any third party beneficiary rights granted to the Holders hereunder shall be subject to the same limitations upon exercise as bondholder action is limited under this Agreement and the Indenture.

ARTICLE 9

PROVISIONS OF GENERAL APPLICATION

SECTION 9.01 Enforceability

The provisions of this Agreement shall be severable. In the event any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any of the remaining provisions hereof.

SECTION 9.02 Prior Agreements Cancelled

This Agreement shall completely and fully supersede all other prior agreements, both written and oral, among the parties hereto relating to the matters contained herein. None of the parties hereto shall hereafter have any rights under any of such prior agreements but shall look to this Agreement for definition and determination of all of their respective rights, liabilities and responsibilities relating to the matters contained herein.

SECTION 9.03 Counterparts

This Agreement may be executed in counterparts, each of which shall constitute but one and the same agreement.

SECTION 9.04 <u>**Binding Effect; Governing Law**</u>

(a) This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective successors and assigns except as otherwise provided herein.

(b) This Agreement shall be governed exclusively by the laws of the State of Alabama without regard to conflict of law principles.

SECTION 9.05 <u>**Notices**</u>

(a) All notices, demands, consents, certificates or other communications hereunder shall be in writing, shall be sufficiently given and shall be deemed given when delivered personally to the party or to an officer of the party to whom the same is directed, or mailed by registered or certified mail, postage prepaid, or sent by overnight courier, addressed as follows:

(1) if to the District:

MONTGOMERY COUNTY

101 South Lawrence Street
P.O. Box 1667 (36102-1667)
Montgomery, AL 36104
Phone: (334) 832-1210
Fax: (334) 832-2533
Attention: County Administrator

and

CITY OF MONTGOMERY

P.O. Box 1111 (36101)
103 North Perry Street
Montgomery, AL 36104
Phone: (334) 241-2025
Fax: (334) 241-4422
Attention: City Finance Director

(2) if to the County:

MONTGOMERY COUNTY

101 South Lawrence Street
P.O. Box 1667 (36102-1667)
Montgomery, AL 36104
Phone: (334) 832-1210
Fax: (334) 832-2533
Attention: County Administrator

(3) if to the Trustee:

REGIONS BANK

Regions/Harbert Plaza
1900 5th Avenue North, 25th Floor
Birmingham, Al 35203
Phone: (205) 264-5527
Fax: (205) 264-5264
Attention: Corporate Trust Department

(b) Any such notice or other document shall be deemed to be received as of the date delivered, if delivered personally, or as of three (3) days after the date deposited in the mail, if mailed, or the next business day, if sent by overnight courier.

SECTION 9.06 **No Assignment and Transfer of this Agreement**

This Agreement is not negotiable and may not be transferred or assigned except to a successor trustee.

SECTION 9.07 **Amendments**

(a) This Agreement may be amended or supplemented only by an instrument in writing duly authorized, executed and delivered by each party hereto.

(b) Any attempted amendment hereof or supplement hereto without full compliance with this Section shall be null and void and of no effect.

SECTION 9.08 **Provisions of General Application to the Trustee**

The Trustee agrees to perform the duties herein required of its, subject, however, to the following conditions:

(a) The Trustee shall not be liable hereunder except for its noncompliance with the provisions hereof, its willful misconduct or its gross negligence, or the breach of any warranty or the untruthfulness of any acknowledgment or representation made herein by it, and, in particular and without limiting the generality of the foregoing, it shall not be liable for any losses resulting from any investment of moneys, or the conversion to cash of an investment if it shall have made such investment or conversion in accordance with the provisions hereof.

(b) The Trustee may consult Independent counsel (as defined in the Indenture) on any matters connected herewith and shall not be liable for any action taken or failure to take any action in good faith on the advice of Independent counsel.

(c) It is expressly understood and agreed that the Trustee's duties and obligations in connection with this Agreement are confined to those expressly defined herein and in the Indenture.

(d) The Trustee may act through its officers, employees, agents and attorneys.

(e) Any payment obligation of the Trustee hereunder shall be paid from, and is limited to funds available in the trust estate established and maintained in the Indenture; the Trustee shall not be required to expend its own funds for the performance of its duties hereunder.

(f) Notwithstanding any provision herein to the contrary, in no event shall the Trustee be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(g) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(h) In addition to the foregoing rights and limitations, the Trustee shall further be entitled to all the immunities, protections, rights, and limitations of liability provided in the Indenture with respect to the performance of its duties hereunder.

IN WITNESS WHEREOF, the District, the County, and the Trustee have each caused this Agreement to be executed in its name, under seal, and the same attested, all by officers thereof duly authorized thereunto, and have caused this Agreement to be dated the date and year first above written.

THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT

By:______________________________
Chairman

SEAL

ATTEST:

____
Secretary

MONTGOMERY COUNTY, ALABAMA

By: Montgomery County Commission

By______________________________
As Its Chairman

SEAL

ATTEST:

____
County Administrator

REGISTRATION CERTIFICATE

I hereby certify that the above and foregoing Funding Agreement and the obligations of the District thereunder have been duly registered by me as a claim against Montgomery County, Alabama, in the State of Alabama, and the Funding Agreement Fund created therein.

____
Administrator of Montgomery County, Alabama

REGIONS BANK
as Trustee

SEAL

By______________________________

Its______________________________

SEAL

ATTEST:

____

Its:______________________________

EXHIBIT A

Debt Service on the Series 2015 Bonds

BOND DEBT SERVICE

Montgomery County Public Education Cooperative District
Series 2015
Optional Redemption 4.1.2025 @ Par
Final Pricing 4.22.2015

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
10/01/2015		430,851.38	430,851.38	
04/01/2016	700,000	534,850.00	1,234,850.00	
09/30/2016				1,665,701.38
10/01/2016		527,850.00	527,850.00	
04/01/2017	615,000	527,850.00	1,142,850.00	
09/30/2017				1,670,700.00
10/01/2017		521,700.00	521,700.00	
04/01/2018	630,000	521,700.00	1,151,700.00	
09/30/2018				1,673,400.00
10/01/2018		512,250.00	512,250.00	
04/01/2019	645,000	512,250.00	1,157,250.00	
09/30/2019				1,669,500.00
10/01/2019		502,575.00	502,575.00	
04/01/2020	665,000	502,575.00	1,167,575.00	
09/30/2020				1,670,150.00
10/01/2020		489,275.00	489,275.00	
04/01/2021	695,000	489,275.00	1,184,275.00	
09/30/2021				1,673,550.00
10/01/2021		471,900.00	471,900.00	
04/01/2022	725,000	471,900.00	1,196,900.00	
09/30/2022				1,668,800.00
10/01/2022		453,775.00	453,775.00	
04/01/2023	765,000	453,775.00	1,218,775.00	
09/30/2023				1,672,550.00
10/01/2023		434,650.00	434,650.00	
04/01/2024	800,000	434,650.00	1,234,650.00	
09/30/2024				1,669,300.00
10/01/2024		414,650.00	414,650.00	
04/01/2025	840,000	414,650.00	1,254,650.00	
09/30/2025				1,669,300.00
10/01/2025		393,650.00	393,650.00	
04/01/2026	880,000	393,650.00	1,273,650.00	
09/30/2026				1,667,300.00
10/01/2026		371,650.00	371,650.00	
04/01/2027	930,000	371,650.00	1,301,650.00	
09/30/2027				1,673,300.00
10/01/2027		357,700.00	357,700.00	
04/01/2028	955,000	357,700.00	1,312,700.00	
09/30/2028				1,670,400.00
10/01/2028		343,375.00	343,375.00	
04/01/2029	985,000	343,375.00	1,328,375.00	
09/30/2029				1,671,750.00
10/01/2029		318,750.00	318,750.00	
04/01/2030	1,030,000	318,750.00	1,348,750.00	
09/30/2030				1,667,500.00
10/01/2030		293,000.00	293,000.00	
04/01/2031	1,085,000	293,000.00	1,378,000.00	
09/30/2031				1,671,000.00
10/01/2031		265,875.00	265,875.00	
04/01/2032	1,140,000	265,875.00	1,405,875.00	
09/30/2032				1,671,750.00
10/01/2032		237,375.00	237,375.00	
04/01/2033	1,195,000	237,375.00	1,432,375.00	

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BOND DEBT SERVICE

Montgomery County Public Education Cooperative District
Series 2015
Optional Redemption 4.1.2025 @ Par
Final Pricing 4.22.2015

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
09/30/2033				1,669,750.00
10/01/2033		207,500.00	207,500.00	
04/01/2034	1,255,000	207,500.00	1,462,500.00	
09/30/2034				1,670,000.00
10/01/2034		185,537.50	185,537.50	
04/01/2035	1,295,000	185,537.50	1,480,537.50	
09/30/2035				1,666,075.00
10/01/2035		162,875.00	162,875.00	
04/01/2036	1,345,000	162,875.00	1,507,875.00	
09/30/2036				1,670,750.00
10/01/2036		132,996.88	132,996.88	
04/01/2037	1,400,000	132,996.88	1,532,996.88	
09/30/2037				1,665,993.76
10/01/2037		101,915.63	101,915.63	
04/01/2038	1,465,000	101,915.63	1,566,915.63	
09/30/2038				1,668,831.26
10/01/2038		69,381.25	69,381.25	
04/01/2039	1,530,000	69,381.25	1,599,381.25	
09/30/2039				1,668,762.50
10/01/2039		35,462.50	35,462.50	
04/01/2040	1,600,000	35,462.50	1,635,462.50	
09/30/2040				1,670,925.00
	25,170,000	16,577,038.90	41,747,038.90	41,747,038.90

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EXHIBIT B

Debt Service on the Series 2015 Bonds – County Portion

Bond Debt Service
Montgomery County Public Education Cooperative District
County's Portion Series 2015 Warrants (Public School Project)

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
10/1/2015		273,606.94	273,606.94	
4/1/2016	445,000	339,650.00	784,650.00	
9/30/2016				1,058,256.94
10/1/2016		335,200.00	335,200.00	
4/1/2017	390,000	335,200.00	725,200.00	
9/30/2017				1,060,400.00
10/1/2017		331,300.00	331,300.00	
4/1/2018	400,000	331,300.00	731,300.00	
9/30/2018				1,062,600.00
10/1/2018		325,300.00	325,300.00	
4/1/2019	410,000	325,300.00	735,300.00	
9/30/2019				1,060,600.00
10/1/2019		319,150.00	319,150.00	
4/1/2020	420,000	319,150.00	739,150.00	
9/30/2020				1,058,300.00
10/1/2020		310,750.00	310,750.00	
4/1/2021	440,000	310,750.00	750,750.00	
9/30/2021				1,061,500.00
10/1/2021		299,750.00	299,750.00	
4/1/2022	460,000	299,750.00	759,750.00	
9/30/2022				1,059,500.00
10/1/2022		288,250.00	288,250.00	
4/1/2023	485,000	288,250.00	773,250.00	
9/30/2023				1,061,500.00
10/1/2023		276,125.00	276,125.00	
4/1/2024	510,000	276,125.00	786,125.00	
9/30/2024				1,062,250.00
10/1/2024		263,375.00	263,375.00	
4/1/2025	535,000	263,375.00	798,375.00	
9/30/2025				1,061,750.00
10/1/2025		250,000.00	250,000.00	
4/1/2026	560,000	250,000.00	810,000.00	
9/30/2026				1,060,000.00
10/1/2026		236,000.00	236,000.00	
4/1/2027	590,000	236,000.00	826,000.00	
9/30/2027				1,062,000.00
10/1/2027		227,150.00	227,150.00	
4/1/2028	605,000	227,150.00	832,150.00	
9/30/2028				1,059,300.00
10/1/2028		218,075.00	218,075.00	
4/1/2029	625,000	218,075.00	843,075.00	
9/30/2029				1,061,150.00
10/1/2029		202,450.00	202,450.00	
4/1/2030	655,000	202,450.00	857,450.00	
9/30/2030				1,059,900.00
10/1/2030		186,075.00	186,075.00	
4/1/2031	690,000	186,075.00	876,075.00	
9/30/2031				1,062,150.00
10/1/2031		168,825.00	168,825.00	
4/1/2032	725,000	168,825.00	893,825.00	

Bond Debt Service
Montgomery County Public Education Cooperative District
County's Portion Series 2015 Warrants (Public School Project)

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
9/30/2032				1,062,650.00
10/1/2032		150,700.00	150,700.00	
4/1/2033	760,000	150,700.00	910,700.00	
9/30/2033				1,061,400.00
10/1/2033		131,700.00	131,700.00	
4/1/2034	795,000	131,700.00	926,700.00	
9/30/2034				1,058,400.00
10/1/2034		117,787.50	117,787.50	
4/1/2035	820,000	117,787.50	937,787.50	
9/30/2035				1,055,575.00
10/1/2035		103,437.50	103,437.50	
4/1/2036	855,000	103,437.50	958,437.50	
9/30/2036				1,061,875.00
10/1/2036		84,434.38	84,434.38	
4/1/2037	890,000	84,434.38	974,434.38	
9/30/2037				1,058,868.76
10/1/2037		64,659.38	64,659.38	
4/1/2038	930,000	64,659.38	994,659.38	
9/30/2038				1,059,318.76
10/1/2038		43,987.50	43,987.50	
4/1/2039	970,000	43,987.50	1,013,987.50	
9/30/2039				1,057,975.00
10/1/2039		22,487.50	22,487.50	
4/1/2040	1,015,000	22,487.50	1,037,487.50	
9/30/2040				1,059,975.00
	15,980,000	10,527,194.46	26,507,194.46	26,507,194.46

EXHIBIT C

Form of Warrant

THIS WARRANT HAS NOT BEEN REGISTERED (i) UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON THE EXEMPTION PROVIDED BY SECTION 4(2) OF SAID ACT, OR (ii) UNDER ANY STATE SECURITIES LAW, IN RELIANCE UPON APPLICABLE EXEMPTIONS, AND MAY NOT BE TRANSFERRED WITHOUT REGISTRATION EXCEPT PURSUANT TO AN EXEMPTION THEREFROM.

THIS WARRANT DOES NOT BEAR INTEREST

UNITED STATES OF AMERICA
STATE OF ALABAMA

MONTGOMERY COUNTY, ALABAMA
$15,980,000
GENERAL OBLIGATION WARRANT
(THE MONTGOMERY COUNTY PUBLIC EDUCATION COOPERATIVE DISTRICT PROJECT)
SERIES 2015

No. R-1

DATED DATE: May 6, 2015 MATURITY DATE: April 1, 2040

Montgomery County, Alabama, a political subdivision of the State of Alabama (the "County"), under and pursuant to the obligations thereof under that certain Funding Agreement dated as of May 1, 2015 (the "Agreement") among the Issuer, The Montgomery County Public Education Cooperative District (the "District"), and Regions Bank, as trustee (the "Trustee"), does hereby order and direct the Administrator of the County to pay to the Trustee the Funding Agreement Payments when and as the same become due and payable in accordance with the Agreement.

Authority for Issuance

This Warrant is issued pursuant to the authority of the Constitution and laws of the state of Alabama, including particularly and without limitation Chapter 28 of Title 11 of the Code of Alabama 1975 (the "Enabling Law"), and the Agreement.

Capitalized terms used hereinbefore and hereinafter without definition shall have the respective meanings assigned thereto in the Agreement.

Reference is made to the provisions of the Agreement, to and by which all of which provisions the Trustee, by acceptance of this Warrant, assents and agrees to be bound.

This Warrant is issued pursuant to the Agreement in evidence of the obligations of the County thereunder.

Payment

Payment of this Warrant shall be made to or as directed by the Trustee; provided the final payment of principal of this Warrant shall be made only upon presentation and surrender of this Warrant to the County for cancellation.

All payments of principal of this Warrant by the County shall be made at par in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts, and shall be valid and effectual to satisfy and discharge the liability of the County upon this Warrant to the extent of the amounts so paid.

The person in whose name this Warrant is registered shall be deemed and regarded as the absolute owner hereof for all purposes and payment of the principal of this Warrant shall be made only to or upon the order of the Trustee hereof or his legal representative, and neither the County nor any agent of the County shall be affected by any notice to the contrary.

Prepayment

This Warrant is pre-payable by the County on the terms set forth in the Funding Agreement.

Security

This Warrant is a general obligation of the County as provided in Section 4.02 of the Agreement.

Registration and Transfer

This Warrant is registered in the name of the Trustee on the book of registration maintained for that purpose by the County. This Warrant may be transferred only in connection with transfer of the Agreement as provided in Section 8.06 thereof and only upon surrender hereof to the County for the transfer, together with the written request of the Trustee or its legal representative addressed to the County, and recordation of such transfer on said book of registration and endorsement hereon by the County. Upon presentation to the County for transfer, this Warrant must be accompanied by a written instrument or instruments of transfer satisfactory to the County, in form of the Assignment attached hereto, duly executed by the Trustee or his attorney duly authorized in writing. The Trustee shall pay all expenses of the County in connection with such transfer and any tax or other governmental charge required to be paid with respect thereto.

General

No covenant or agreement contained in this Warrant or in the Agreement shall be deemed to be a covenant or agreement of any officer, agent, employee, or member of the governing body of the County in the individual capacity thereof 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.

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 this Warrant represents a valid claim against the Funding Agreement Fund, 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 execution, registration and issuance of this Warrant, the adoption of the resolution and order approving the Agreement, and the execution and delivery of the Agreement, 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 the Agreement and this Warrant, together with all other indebtedness of the County, are within every debt and other limit prescribed by the Constitution and laws of the State of Alabama.

[Remainder of this page intentionally blank.]

IN WITNESS WHEREOF, the County, acting by and through the County Commission, as the governing body thereof, has caused this Warrant to be executed in its name and on its behalf by the Chairman of the County Commission, has caused its corporate seal to be affixed hereto and the same attested by the Administrator of the County, and has caused this Warrant to be dated the date and year first above written.

MONTGOMERY COUNTY, ALABAMA

By: Montgomery County Commission

By:____________________________________
As Its Chairman

S E A L

Attest:______________________________
Administrator

REGISTRATION CERTIFICATE

I hereby certify that this warrant has been duly registered by me as a claim against Montgomery County, in the State of Alabama, and the Funding Agreement Fund referred to herein.

____
Administrator of Montgomery County, Alabama

REGISTRATION OF OWNERSHIP

This Warrant is recorded and registered on the warrant register of the County in the name of the last owner named below. The principal of this Warrant shall be payable only to or upon the order of such registered owner.

Date of Registration	In Whose Name Registered	Signature of Authorized Officer of County

Assignment

For value received, ________________________hereby sell(s), assign(s) and transfer(s) unto _________________________ this warrant and hereby irrevocably constitute(s) and appoint(s) ______________________________ attorney to transfer this warrant on the books of the within named the County with full power of substitution in the premises.

Dated: ______________________

____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

____

(Bank or Trust Company)

By________________________________

(Authorized Officer)

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SCHEDULE 3

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement ("Agreement") is hereby made and entered into as of the ____ day of May, 2015, by Montgomery County, Alabama, an Alabama political subdivision (the "County"), for the benefit of registered owners of the Bonds referenced herein.

Recitals

This Agreement is executed and delivered in accordance with the requirements of Rule 15c2-12 (the "Rule") of the Securities Exchange Commission (the "Commission") issued under the Securities Exchange Act of 1934, as amended ("Exchange Act") and in connection with the issuance on the date hereof by The Montgomery County Public Education Cooperative District, an Alabama public corporation ("District"), of its $ 25,170,000 Limited Obligation Revenue Bonds, Series 2015, dated May 6, 2015 (the "Bonds") pursuant to that certain Trust Indenture dated as of May 1, 2015 (the "Indenture"), between the District and Regions Bank, as trustee (the "Trustee").

Capitalized terms used herein without definition shall have the respective meanings set forth therefor in the Indenture.

The Bonds will be purchased by Stifel, Nicolaus & Company, Inc. (the "Underwriter") and the District has delivered to the Underwriter an Official Statement with respect to the Bonds dated April 23, 2015 (the "Official Statement").

There is no "obligated person", as defined in the Rule, with respect to the Bonds other than the District, the City of Montgomery ("City") and the County. The County is an "obligated person" by reason of its funding obligations with respect to the Bonds under that certain Funding Agreement dated May 1, 2015("Funding Agreement").

Agreement

NOW THEREFORE, the County does hereby undertake, covenant and agree with the registered owners from time to time of the Bonds, as follows:

Section 1. Annual Report of the County.

The County, in accordance with the provisions of the Rule, shall annually provide within 180 days after the end of its fiscal year the following financial information and operating data relating to the County providing the same on an annual basis (the "Annual Financial Information"):

(A) the assessed value of all taxable property within the territorial limits of the County relating to the previous fiscal year;
(B) total ad valorem tax collections for the previous fiscal year of the County;
(C) total sales and use tax collections for the previous fiscal year of the County;

(D) a list of the outstanding principal amounts of all general obligation indebtedness of the County as of the end of the previous fiscal year;
(E) a statement of revenues, expenditures and changes in fund balances for the County's General Fund for the previous fiscal year; and
(F) a copy of the County's General Fund budget for the then current fiscal year.

To the extent any item of information listed above is dependent on receipt of updated information from the Montgomery County Revenue Commissioner or any other third party, the County will provide the information, if and when received. If the information is not available by the filing deadline, then the County will comment in its annual report filed that such information was requested, was not available from the designated third party by the filing deadline and will be provided promptly following receipt. To the extent the information is dependent on audited financial information which is not available by the filing deadline, the information provided will contain unaudited figures.

In addition, if not submitted as part of the Annual Financial Information, the County shall provide the audited financial statements, prepared on the basis of the same accounting principles with which the County's audited financial statements attached hereto as an appendix were prepared unless otherwise noted in such audited financial statements. If such audited financial statements are not available, the County shall provide unaudited statements.

Section 2. Notice of Material Events.

(a) The County agrees to provide or cause to be provided, in a timely manner not more than ten (10) business days after the occurrence of the event, to the Municipal Securities Rulemaking Board ("MSRB") notice of the occurrence of any of the following events with respect to the Bonds:

(1) principal and interest payment delinquencies with respect to the Bonds;

(2) non-payment related defaults, if material, with respect to the Bonds;

(3) unscheduled draws on debt service reserves with respect to the Bonds reflecting financial difficulties of the County;

(4) unscheduled draws on credit enhancements with respect to the Bonds reflecting financial difficulties of the County;

(5) substitution of credit or liquidity providers or their failure to perform with respect to the Bonds;

(6) adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (From 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax-exempt status of interest on the Bonds;

(7) modifications of the rights of the registered owners, if material with respect to the Bonds;

(8) bond calls, if material, and tender offers with respect to the Bonds;

(9) defeasance of the lien of the Bonds or the occurrence of circumstances, which, pursuant to such authorizing proceedings, would cause the Bonds, or any of them, to be no longer regarded as outstanding thereunder;

(10) release, substitution, or sale of property securing repayment of with respect to the Bonds, if material;

(11) rating changes for the Bonds;

(12) bankruptcy, insolvency, receivership or similar event of the County; provided, for the purposes of the event identified herein, the event is considered to occur when any of the following occur; the appointment of a receiver, fiscal agent or similar officer for the County 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 County, 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 or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County;

(13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, 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 County 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 the County such other event is material with respect to the Bonds, but the County does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above. In no event does the County incur any obligation to continue to provide, or to update, any such additional information or data.

Section 3. Notice of Non-Compliance.

The County agrees to provide or cause to be provided, in a timely manner, to the MSRB notice of any failure by it to provide the annual financial information described in Sections 1 and 2 hereof on or prior to the dates respectively set forth in said sections.

Section 4. Filing with Electronic Municipal Market Access.

The Annual Financial Information and Material Event Notices are required to be filed with the MSRB in the form and of the content required by the MSRB, including the Electronic Municipal Market Access system ("EMMA"), which is operated by the MSRB, and with any Alabama state information repository.

Section 5. Beneficiaries and Enforcement.

(a) The County agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of the registered owners of the Bonds and (to the extent hereinafter set forth) the Trustee and shall be enforceable by such registered owners and (to such extent) the Trustee; provided, that the right of the registered owners of the Bonds or the Trustee to enforce the provisions of this Agreement shall be limited to a right to obtain specific enforcement of the obligations of the County hereunder. No failure by the County to comply with its obligations under this Agreement shall constitute an event of default under the Indenture or subject the County to money damages in any amount, whether compensatory, penal or otherwise.

(b) If the County fails to comply with any covenant or obligation specified herein, a holder (within the meaning of the Rule) of the Bonds then outstanding may, as its only remedy, proceed to protect and enforce its rights and the rights of the other holders by an action for mandamus or specific performance of the County's covenant to provide the required information if the County fails to cure such failure within thirty (30) days after written notice of the failure.

(c) No person other than the County shall have any liability or responsibility for compliance by the County with its obligations under this Agreement.

Section 6. Amendment.

This Agreement may be amended without the consent of any registered owners of the Bonds if

(a) such amendment complies with the Rule as it exists at the time of modification; and

(b) the Agreement, as so amended, would have complied with the requirements of the Rule at the time of the execution hereof, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the County receives an opinion of counsel expert in securities laws acceptable to the District and the City and County to the effect that such amendment does not materially impair the interests of any of the holders of the Bonds then outstanding.

Section 7. Reservation of Rights.

The County reserves the right to modify from time to time the specific types of information provided or the format of the presentation of the Annual Report, to the extent necessary or appropriate in the judgment of the County, provided that the County agrees that any such modification will be done in a manner consistent with the Rule.

The County reserves the right to terminate its obligations to provide annual financial information and notice of material events, as set forth above, if and when the County is no longer an obligated person with respect to the Bonds within the meaning of the Rule.

Section 8. Termination.

The covenants and obligations of the County specified herein as to the Bonds will terminate upon the redemption, defeasance (within the meaning of the Rule) or payment in full of all of the Bonds.

Section 9. Governing Law.

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Alabama, excluding any choice of law principles that apply the law of a state other than the law of the State of Alabama.

Section 10. Beneficiaries.

This Agreement shall inure solely to the benefit of the County, the District, the City, the Trustee, the Underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

[EXECUTION TO FOLLOW ON NEXT FOLLOWING PAGE]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by and on behalf of the County by its officer thereof duly authorized thereunto on the date first above written.

MONTGOMERY COUNTY, ALABAMA

By Montgomery County Commission

By: ______________________________
As Its Chairman

APPENDIX A - THE COUNTY

Employee Relations

The County considers relations with its employees to be satisfactory. The County does not bargain collectively with any labor union or employee organization.

COUNTY FINANCIAL SYSTEM

General

The financial transactions of the County are audited by the State Department of Examiners of Public Accounts (the "Department"). The most recent audited financial statements prepared by the Department are for the fiscal year ended September 30, 2013. A copy of such audited financial statements is attached hereto as APPENDIX B. Certain information in this Official Statement is based on unaudited financial information of the County for the fiscal year of the County that ended on September 30, 2014.

Budget Process

The County Commission prepares an annual budget for each fiscal year of the County. The budget process begins in May of each year when the heads of the various county departments are asked to prepare and submit budget requests for the immediately succeeding fiscal year. The departmental requests are reviewed by the County Commission upon its receipt thereof (usually in June or July) and public hearings are conducted in July and August to provide an opportunity for any interested person to offer comments with respect to the proposed budget. Following the public hearings, the County Commission may modify any departmental budget request to such extent as it deems appropriate.

Budgeted revenues are based on estimated current revenue trends. No projected growth is factored into the budgeting process. Revenue estimates are prepared in June using actual collections to date and estimates for the remaining months. Operating expenses have been budgeted and funded on a level basis since 2009.

The County Commission is required to adopt the annual budget not later than its first meeting in October of the fiscal year to which such budget is to apply. The appropriations must not exceed the total revenues available for appropriation. Expenditures may not legally exceed appropriations. Budgets may be adjusted during the fiscal year when approved by the County Commission. Any changes must be within the revenues and reserves estimated to be available.

Formal budgeting integration is used during the fiscal year as a management control device for the County's General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds. The budget is adopted on a departmental "line-item" basis consistent with generally accepted accounting principles. Budget control is maintained at the departmental line-item level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors.

Accounting System

The accounting system of the County is organized on the basis of funds. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, for accounting and reporting purposes, into two broad fund categories as described below.

<u>Governmental Funds</u>. Most of the basic services are reported in governmental funds. These funds are reported using the current financial resources focus and the modified accrual basis of accounting. The County maintains the following governmental funds:

> *General Fund.* The general fund is the primary operating fund of the County Commission. Like most Alabama counties, a significant portion of the revenues of the County are designated or earmarked for specific purposes. The General Fund accounts for receipts and expenditures of all funds not otherwise classified or restricted. The County Commission primarily receives revenues from the collection of ad valorem taxes, sales and use taxes, charges for services and revenues collected by the State of Alabama that are shared with the County. Amounts to self-insure the County for obligations relating to worker's compensation benefits, employee health benefits, retired employees' life insurance benefits and civil liability are also accounted for in the General Fund. The General Fund is also used to report the

expenditure of the 7-cent State gasoline tax revenues for the construction, improvement, maintenance and supervision of highways, bridges and streets, and for the retirement of bonds or warrants for which gasoline tax revenues have been pledged. Expenditures of special county property taxes for building and maintaining public buildings, roads and bridges are accounted for in this fund as well.

Reappraisal Fund. This fund is used to account for property taxes and other revenues required to be expended for the property reappraisal program.

Special Revenue Funds. These funds are used to account for the proceeds of specific revenue sources (other than those derived from special assessments or dedicated for major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service Funds. These funds are used to account for the accumulation of resources for, and the payment of, the principal and interest on bonds, warrants and other indebtedness issued by the County.

Capital Projects Funds. These funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government wide financial statements because the resources are not available to support the County's own programs. The County maintains the following fiduciary funds:

Private-Purpose Trust Funds. These funds are used to report all trust agreements under which principal and income benefit individuals, private organizations, or other governments.

Agency Funds. These funds are used to report assets held by the County in a purely custodial capacity. The County Commission collects these assets and transfers them to the proper individual, private organization, or other government.

Comparative Statement of General Fund Revenues, Expenditures and Changes in Fund Balances

The table on the following page sets forth revenues, expenditures and changes in fund balances for the County's General Fund for the fiscal years ended September 30, 2011 through 2014. The General Fund represents the primary source from which the County pays debt service on its outstanding general obligation indebtedness (including the County's obligations under the Lease). The summaries shown on the following page should be read in conjunction with the audited financial statements of the County, to the extent available. The 2014 amounts reflected are preliminary and unaudited.

[See Table on Next Following Page]

MONTGOMERY COUNTY, ALABAMA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS INDICATED

REVENUES	2014*	2013	2012	2011
Taxes	$65,105,161	$63,189,678	$62,438,734	$60,817,175
Licenses and Permits	642,709	545,301	523,119	518,621
Intergovernmental	6,419,317	5,878,122	6,250,012	5,677,480
Charges for Services	5,640,234	6,124,411	5,357,919	4,561,912
Fines and Forfeits	23,097	27,984	24,695	23,218
Miscellaneous	4,137,047	4,166,806	4,280,146	5,588,703
TOTAL REVENUES	$81,967,565	$79,932,302	$78,874,624	$77,187,109
EXPENDITURES				
Current:				
General Government	$26,083,938	$24,915,443	$24,956,160	$24,715,575
Public Safety	27,708,697	28,222,387	28,380,758	29,272,298
Highways and Roads	6,064,465	5,565,979	6,040,643	7,665,292
Sanitation	126,314	135,047	167,627	122,058
Health	1,241,164	1,271,891	1,293,488	1,305,131
Welfare	717,194	458,209	764,292	1,055,419
Culture and Recreation	1,751,233	1,742,077	1,838,941	1,609,216
Education	905,804	915,727	799,679	750,377
Other	2,252,430	1,850,654	2,079,097	1,957,860
Capital Outlay	3,474,526	1,987,198	1,394,715	1,167,574
Debt Service:				
Principal Retirement	2,298,024	2,263,040	1,564,672	2,382,825
Interest	2,870,504	3,358,595	3,674,158	3,776,684
Intergovernmental	--	--	--	--
Debt Issuance Costs	431,900	149,680	--	--
TOTAL EXPENDITURES	$75,926,193	$72,836,229	$72,954,231	$75,780,309
Excess (deficiency) of Revenues Over Expenditures	6,041,372	7,096,073	5,920,393	1,406,801
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	500,000	-
Debt Issued	43,270,986	9,985,000	4,416,936	-
Discount on Debt Issued	5,558,251	(145,174)	-	-
Sale Of Capital Assets	892,460	152,408	275,446	353,658
Payments to Escrow Agents	(42,168,244)	(8,885,863)	-	
Transfers Out	(10,106,601)	(5,814,253)	(10,113,942)	(6,090,090)
Total Other Financing Sources (Uses)	(2,553,148)	(4,707,882)	(4,921,561)	(5,736,432)
Net Change	3,488,224	2,388,191	998,833	(4,329,632)
Fund Balance – Beginning of Year (as restated)	33,902,200	31,514,009	30,515,176	34,844,808
Fund Balance	$37,390,424	$33,902,200	$31,514,009	$30,515,176

*Unaudited and preliminary

General Fund Budget - Fiscal Year 2015

The table below presents the County's General Fund budget for the fiscal year ending September 30, 2015:

		Budgeted Amounts Original
Revenues		
Taxes	$	64,506,500
Licenses and Permits		552,150
Intergovernmental		5,485,180
Charges for Service		5,655,600
Fines and Forfeitures		25,000
Miscellaneous		4,469,745
Total Revenues:		80,694,175
Expenditures		
Current:		
General Government		27,189,260
Public Safety		30,506,799
Highways and Roads		7,026,422
Sanitation		139,823
Health		1,232,319
Welfare		500,766
Culture and Recreation		1,594,282
Education		277,825
Other		1,777,293
Capital Outlay:		
Capital Outlay		1,752,756
Debt Service:		
Principal Retirement		2,269,689
Interest and Fiscal Charges		3,093,702
Total Expenditures:		77,360,936
Excess (Deficiency) Revenues Over (Under) Expenditures:		3,333,239
Transfers in		500,000
Total Transfers in:		500,000
Sale of Capital Assets		190,000
Total Sale of Capital Assets:		190,000
Transfers Out		(5,447,710)
Total Transfers Out:		(5,447,710)
Net Change in Fund Balances		(1,424,471)

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Tax Collections

The following table sets forth collections of certain major sources of tax revenue for the fiscal years ended September 30, 2011 through 2014:

	2014	2013	2012	2011
Ad valorem taxes	$18,966,763	$19,111,071	$19,129,217	$19,562,826
Sales and use taxes*	41,600,758	40,158,593	39,518,927	38,737,792

* Reflects only the sales and use taxes levied for general County purposes; excludes sales and use taxes levied for the Montgomery County Board of Education. See "SALES AND USE TAXES" herein.

Source: County Commission.

Ad Valorem Taxes. Ad valorem taxes are levied under various provisions of the constitution and laws of the State of Alabama and may be used only for the purpose or purposes for which they are levied. The County levies a 5.0 mill tax for general governmental purposes, proceeds of which are deposited in the General Fund. The County also levies a 2.5 mill tax the proceeds of which are restricted to use for the construction of public buildings, roads and bridges in the County and a 5.0 mill tax the proceeds of which are restricted to use for fire protection in the portion of the County outside the corporate limits of the City of Montgomery and the Town of Pike Road. Under present law, the rates at which local ad valorem taxes are levied may be increased only after approval by the Legislature of Alabama and a majority vote of the qualified electors of the County. See "AD VALOREM TAXATION" herein.

Sales and Use Taxes. The County levies sales and use taxes generally at a rate of two and one-half percent, with one and one-half percent being levied for general County purposes and one percent being levied for the Board of Education of Montgomery County and paid directly to the Board. See "SALES AND USE TAXES" herein.

Other Taxes. Other tax revenues of the County include license taxes, deed and mortgage taxes, beer and wine taxes and certain other taxes accounting for an insignificant portion of the County's tax revenues. The State of Alabama levies a $.07 per gallon gasoline tax, a $.05 per gallon gasoline tax and a $.04 per gallon gasoline tax. The State remits a portion of the proceeds of these taxes to each county according to a distribution formula based on population and miles of roads. The Constitution of Alabama requires that all State gasoline tax proceeds be used only for construction and maintenance of roads and bridges.

The County levies and collects a lodgings tax at the rate of $2.25 for each day or portion of a day such lodging is provided by hotels or motels located in the County.

Personnel and Retirement System

The Commission participates in the Employees' Retirement System of Alabama, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for the various state agencies and departments. Substantially all employees of the Commission are members of the Employees' Retirement System of Alabama. Membership is mandatory for covered or eligible employees of the Commission. Benefits vest after 10 years of creditable service. The Employees' Retirement System was established as of October 1, 1945, under the provisions of Act Number 515, Acts of Alabama 1945, for the purpose of providing retirement allowances and other specified benefits for State employees, State police, and on an elective basis to all cities, counties, towns and quasi-public organizations. The responsibility for general administration and operation of the Employees' Retirement System is vested in the Board of Control.

The provisions of Act Number 2012-377, Acts of Alabama, established a new defined benefit plan tier, Tier 2, for employees hired on or after January 1, 2013. Employees who were hired prior to January 1, 2013 are considered to be Tier 1 employees. Tier 1 regular employees and full-time law enforcement officers of the Commission are required by statute to contribute 5 percent and 6 percent, respectively, of their salary to the Employees' Retirement System (RSA). For Tier 2 employees and full-time law enforcement officers the contribution rate is 6 percent and 7 percent respectively of their salary. The Commission is required to contribute the remaining amounts necessary to fund the actuarially determined contributions to ensure sufficient assets will be available to pay benefits when due. The contribution requirements of the Commission are established by the Employees' Retirement System based on annual actuarial valuations. The employer's contribution rate for the year ended September 30, 2014 was 11.11 percent for Tier 1 employees and 8.81 percent for Tier 2 employees, based on the actuarial valuation performed as of September 30, 2012. The percentages for the year ending September 30, 2015 did not change and will remain at the 2014 amounts.

The Employees' Retirement System does not undertake to fund the retirement plans of participating local governmental units. The Employee's Retirement System acts only in an administrative capacity, and then only upon the election of the local governmental units. The statute permitting such election provides that "The retirement system shall not be liable for the payment of any pensions or other benefits on account of the employees or pensioners of any employer under this section, for which reserves have not been previously created from funds contributed by such employer or its employees for such benefits." The statute further provides that the agreement of a local government to contribute to the Employees' Retirement System on account of its employees is irrevocable, but should it become financially unable to make the normal contribution, administrative charge and accrued liability contribution, the County would be deemed to be in default under the Employees' Retirement System.

In the event any participating local government elects to withdraw from the Employees' Retirement System by mutual agreement with employees, the statute provides that the rights and privileges of existing beneficiaries shall not, as a result of such withdrawal, be diminished or impaired. Upon any such withdrawal, the statute requires the actuary to certify to the local government the actuarial determination of the reserves necessary to provide existing benefits and provides that the local government shall agree to appropriate such amounts as may be necessary to maintain existing benefits.

In addition to the pension benefits described above, the County provides the following postretirement benefits, which are funded by the respective County departments for which the covered retirees worked:

(i) Health Care Benefits - In accordance with Act No. 630, Acts of Alabama, 1975, the County provides primary health insurance for retirees under the age of 65 and secondary health insurance (Medicare supplement) for those retirees 65 years and older. Each month the County contributes the amount of money necessary to pay the Commission approved health insurance premium for retired employees. Monthly premiums for the fiscal year ended September 30, 2014, were $565 per retiree. Approximately 375 retirees participate in this plan.

(ii) Life Insurance Benefits - In accordance with Act No. 86-199, Acts of Alabama, 1975, the Commission provides to an eligible retired employee's beneficiary and/or beneficiaries, one-half of the amount of employee life insurance as follows:

Employee Retired Prior to October 1, 1995

	Benefit
Salary over $15,000	$6,000
Salary of $10,000 to $15,000	5,000
Salary below $10,000	4,000

Employee Retired after October 1, 1995

	Benefit
Salary over $30,000	$10,000
Salary of $20,000 to $30,000	8,000
Salary below $20,000	6,000

Death benefits are paid from the Retired Employees' Life Insurance Fund. Expenditures, amounting to $61,000 for the fiscal year ended September 30, 2014, were recognized on the death claims of beneficiaries. When the Retired Employees' Life Insurance Fund was established, money was advance-funded on an actuarially determined basis. In addition, funds are transferred each month from the General Fund to the Retired Employees' Life Insurance Fund at the rate of $3.00 per $1,000.00 per year of benefit obligation of retirees. This was determined as the actuarial deposit required to support the Retired Employees' Life Insurance Fund. During the fiscal year ended September 30, 2014, $75,000 was paid by the General Fund to the Retired Employees' Life Insurance Fund to fund the expected future benefits.

The County implemented GASB Statement Number 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* in 2009. As a result, the County has recognized a net other postemployment benefit (OPEB) liability of $18.6 million through September 30, 2013.

The County is self-insured for employee and retiree health costs, with the County funding approximately 80% of the total cost. In 2008 the County began operation of an On-site Healthcare Clinic for County employees and their dependents. In 2009 the clinic was also made available to County retirees and their dependents. The City of Montgomery and the Montgomery Water Works and Sewer Board have partnered with the County and an additional clinic was opened in 2010. The clinic is expected to reduce costs by providing health services normally provided by private care physicians. The use of the clinics is completely voluntary. The County portion of health insurance was budgeted at an increase of 7% for fiscal year 2014 and another 7% increase budgeted for 2015. Employee contribution rates increased approximately 5% to 12% depending on coverage, as of October 1, 2014.

Litigation

There is not now pending or threatened any litigation restraining, enjoining or in any manner questioning or affecting: the creation, organization or existence of the County; the title of the present members of the County Commission or other officers of the County to their respective offices; the validity of the County Funding Agreement or County Warrant; or the proceedings and authority pursuant to which the County Funding Agreement or County Warrant has been executed and delivered.

The County is a defendant in numerous suits and has been notified of numerous claims against it arising from alleged defective sidewalks and streets, alleged negligence relating to motor vehicles and other matters relating to the normal operation of a county such as employment and contract disputes, as well as suits and claims arising from alleged denial of civil rights. Some of these pending and threatened actions involve claims for substantial monetary damages. Section 11-93-1 et seq. of the Code of Alabama (1975), as amended, places a limit of $100,000 with respect to the County's liability for any bodily injury or death resulting from a negligent or wrongful act of one of the County's agents, officers, or employees. That provision further places a limit of $300,000 with respect to the County's liability for personal injuries and deaths arising from a single occurrence. The Supreme Court of Alabama has upheld the constitutionality of this statute. The County carries liability insurance to cover certain liability risks. With respect to such pending or threatened litigation, the County believes it has adequate insurance to protect itself or that there are meritorious defenses in each instance where there is an uninsured claim. The County does not believe that such suits and claims will impair its ability to perform any of its other obligations.

DEBT MANAGEMENT

General

The principal forms of indebtedness that the County is authorized to incur include general obligation bonds, general obligation warrants, general obligation bond anticipation notes, special or limited obligation warrants, various revenue anticipation bonds, and warrants relating to enterprises. In addition, the County has the power to enter into certain leases which constitute a charge upon the general credit of the County. Under existing law, the County may issue general obligation bonds only after a favorable vote of the County electorate. General and special obligation warrants issued for certain specified purposes may be issued without voter approval. Existing statutes also permit the County, without the approval of the electorate, to enter into certain financing lease arrangements with county public building authorities with respect to needed buildings and facilities.

The County Financial Control Act, enacted in 1935 in an effort to put Alabama counties on a "pay-as-you-go" basis, generally prohibits the issuance of warrants by counties unless at the time of such issuance funds are available for their payment. This Act has, however, been judicially construed not to apply to long-term warrants payable solely out of a county's share of the state gasoline tax nor to certain special or limited obligation county warrants issued for certain capital purposes. In addition, Section 11-28-2 of the Code of Alabama (1975), as amended, and the various statutes authorizing Alabama counties to issue general and special obligation warrants for certain special capital and other similar purposes, expressly negate the application of the County Financial Control Act to such warrants. With certain narrow exceptions, however, Alabama counties may not incur long-term debt for payment of current operating expenses, and the County Financial Control Act has the practical effect of prohibiting deficit financing for current operations.

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

Outstanding Indebtedness

As of January 1, 2015, the County has the following general obligation warrants outstanding:

	Principal Outstanding
General Obligation Warrants, Series 2007	$34,405,000
General Obligation Warrants, Series 2010-A	10,465,000
General Obligation Warrant (Energy Conservation Project), Series 2012	3,968,232
General Obligation Warrant (Energy Conservation Project), Series 2014	4,350,986
Total	$53,189,218

The County in connection with the District's 2015 Bonds is issuing the County's $15,980,000 General Obligation Warrant, Series 2015 ("County Warrant").

The County, the City of Montgomery (the "City") and the Montgomery County Board of Education entered into an Agreement for Construction of Schools dated April 7, 1997 (the "County Funding Commitment"), in which the County agreed to pay 15.84% of the total debt service on the City's $30,000,000 principal amount of General Obligation Warrants, Series 1997 (the "Series 1997 Warrants"). The City issued its $26,035,000 General Obligation Refunding Warrants, Series 2005B (the "Series 2005B Warrants") to advance refund the Series 1997 Warrants. The County shared in the debt service savings from the refunding of the Series 1997 Warrants and is now obligated to pay 15.84% of the total debt service on the Series 2005B Warrants. The County Funding Commitment was outstanding as of October 1, 2014 in the amount of $1,478,664.

The County allows employees to accrue annual leave, sick leave and compensatory leave subject to certain limits. Upon separation or retirement, employees are entitled to payment for accrued annual, sick and compensatory leave. As of September 30, 2014, the County's estimated liability for accrued annual, sick and compensatory leave was approximately $6,902,666 (unaudited).

After issuance of the County Warrant, the only indebtedness of the County that will be payable from its general revenues will be the County Warrant, the Series 2007 Warrants, the Series 2010-A Warrants, the Series 2012 Energy Warrant, the Series 2014 Energy Warrant, the County Funding Commitment and the County's obligation under the Lease with respect to the Warrants of the Montgomery County Public Building Authority (Series 2006, Series 2012, Series 2014 and Series 2015). The total debt service obligations of the County with respect to its indebtedness that will be payable from its general revenues will be as follows:

Period Ending	County Warrant	Authority Warrants (Lease Obligation)	County Funding Agreement	Series 2007	Series 2010A	2012 Energy Warrant	2014 Energy Warrant	Aggregate Debt Service
9/30/2015	---	4,600,728	407,797	3,601,839	1,251,800	398,587	421,908	10,682,659
9/30/2016	1,058,257	4,860,585	405,443	3,607,089	1,248,400	398,587	404,844	11,983,205
9/30/2017	1,060,400	4,863,523	405,264	3,601,964	1,250,150	398,587	401,567	11,981,455
9/30/2018	1,062,600	4,475,060	406,216	3,913,339	1,349,500	398,587	394,436	11,999,738
9/30/2019	1,060,600	4,861,135	-	3,921,058	1,355,375	398,587	395,803	11,992,558
9/30/2020	1,058,300	4,904,150	-	3,913,551	1,315,500	398,587	393,042	11,983,130
9/30/2021	1,061,500	4,885,259	-	3,923,701	1,333,875	398,587	389,540	11.992,462
9/30/2022	1,059,500	4,883,759	-	2,766,811	2,543,250	398,587	386,276	12,038,183
9/30/2023	1,061,500	4,886,368	-	2,770,435	2,547,125	398,587	382,922	12,046,937
9/30/2024	1,062,250	7,433,815	-	2,767,788	-	398,587	379,680	12,042,120
9/30/2025	1,061,750	7,431,660	-	2,768,875	-	398,587	375,929	12,036,801
9/30/2026	1,060,000	7,430,160	-	2,769,625	-	398,588	372,287	12,030,660
9/30/2027	1,062,000	7,429,835	-	2,769,250	-	398,586	368,543	12,028,214
9/30/2028	1,059,300	7,425,823	-	2,767,500	-	-	364,767	11,617,390
9/30/2029	1,061,150	6,120,910	-	-	-	-	364,950	7,547,010
9/30/2030	1,059,900	6,125,148	-	-	-	-	-	7,185,048
9/30/2031	1,062,150	6,125,268	-	-	-	-	-	7,187,418
9/30/2032	1,062,650	---	-	-	-	-	-	1,062,650
9/30/2033	1,061,400	---	-	-	-	-	-	1,061,400
9/30/2034	1,058,400	---	-	-	-	-	-	1,058,400
9/30/2035	1,055,575	---	-	-	-	-	-	1,055,575
9/30/2036	1,061,875	---	-	-	-	-	-	1,061,875
9/30/2037	1,058,869	---	-	-	-	-	-	1,058,869
9/30/2038	1,059,319	---	-	-	-	-	-	1,059,319
9/30/2039	1,057,975	---	-	-	-	-	-	1,057,975
9/30/2040	1,059,975	---	-	-	-	-	-	1,059,975
Total	26,507,195	98,743,183	1,624,720	45,862,823	14,194,975	5,181,630	5,796,494	197,911,026

Authorized but Unissued Debt

The County has no authorized but unissued debt outstanding.

Derivatives Transactions

The County is not a party to any outstanding derivatives transactions.

Constitutional Debt Limit

The Constitution of Alabama of 1901 provides that the County's constitutional debt limit is an amount equal to 5% of the assessed value of the taxable property located within the County. Under existing law, the amount of any indebtedness chargeable against the constitutional debt limit is reduced by the amount of any escrow or sinking fund held for the payment of such indebtedness. Indebtedness chargeable against the constitutional debt limit does not include obligations payable solely from the revenues derived from a project that was acquired with the proceeds of such obligations. The indebtedness evidenced by the County Warrant, the County Funding Commitment, the Series 2007 Warrants, the Series 2010-A Warrants and the Series 2012 Warrant and the Series 2014 Warrant is chargeable against the constitutional debt limit of the County. Certain obligations payable solely out of current revenues during each fiscal year (including the County's obligations under the Lease) are not chargeable against the constitutional debt limit.

The following table shows the County's legal debt margin following the issuance of the County Warrant:

Assessed value of taxable property (as of September 30, 2014):	$2,653,848,342
Debt limit (5% of assessed value):	132,692,417
Total outstanding indebtedness chargeable against the debt limit: [1]	70,647,882
LEGAL DEBT MARGIN	$ 62,044,535

[1] Includes the outstanding principal amount of the County Warrant, the Series 2007 Warrants, the Series 2010-A Warrants, the Series 2012 Warrant, the Series 2014 Warrant, and the County Funding Commitment as of October 1, 2014.

Amendment No. 772 to the Constitution of Alabama authorizes the counties and municipalities within the State to use public funds for certain purposes intended to further the economic development of such political subdivisions. Amendment No. 772 authorizes any county or municipality to (i) acquire real property, buildings, plants, factories, facilities, machinery and equipment of any kind and to improve and develop such properties for use as sites for industry of any kind or as industrial parks, (ii) lease, sell, grant, exchange or otherwise convey all or any part of any real property, buildings, plants, factories, facilities, machinery and equipment or any industrial park project to any individual, firm, corporation or other entity, public or private, for the purpose of constructing, developing, equipping and operating industrial, commercial, research or service facilities of any kind or (iii) lend its credit to, or grant public funds and things of value for the benefit of, any individual, firm, corporation or other entity, public or private, for the purpose of promoting the economic and industrial development of such political subdivision.

Amendment No. 772 also authorizes counties and municipalities to issue bonds, warrants, notes and other evidences of indebtedness and to use the proceeds thereof in furtherance of the powers discussed in the paragraph immediately above, subject to the limitation that the aggregate principal amount of obligations issued for such purposes may not exceed fifty percent (50%) of the assessed value of taxable property in such county or municipality. Amendment No. 772 provides that the bonds, warrants, notes or other evidences of indebtedness may be secured by the full faith and credit of the issuer or may be limited as to the source of payment.

The issuance of bonds, warrants, notes and other evidences of indebtedness pursuant to Amendment No. 772 is not subject to the County's five percent constitutional debt limit discussed above. In addition, obligations issued pursuant to Amendment No. 772 are not taken into account in determining the County's compliance with the five percent constitutional debt limit applicable to obligations that are not issued for economic development purposes pursuant to Amendment No. 772. The County has no outstanding obligations that have been issued under Amendment No. 772

Future Debt Issuance

Future debt plans may include the issuance of debt for the Montgomery County Board of Education.

AD VALOREM TAXATION

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 may 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 County Commission has not sought to adjust the assessment ratio applicable to any class of taxable property nor does the County Commission 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	1-1/2%
Class III	1%
Class IV	1-1/4%

If the total amount of tax otherwise payable with respect to a class of property would exceed the maximum tax limit in any Alabama county, 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

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Ad Valorem Tax Rates

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

Taxing Authority	Mills
State of Alabama:	
Public School	3.0
Soldier	1.0
General Fund	2.5
	6.5
Montgomery County:	
General Fund	5.0
Road and Bridge	2.5
Fire Protection (outside the City of Montgomery)	5.0
School	
County-wide	3.5
District	6.5
Total millage (State and County) of ad valorem taxes levied in that portion of Montgomery County within the corporate limits of the City of Montgomery	24.0
Total millage (State and County) of ad valorem taxes levied in that portion of Montgomery County outside the corporate limits of the City of Montgomery	29.0

Source: Alabama Department of Revenue.

In addition to the statewide, countywide and special school district ad valorem taxes listed above, the following municipalities in the County levy ad valorem taxes on property within their corporate limits at the following rates:

Municipality	Mills
Montgomery	12.5
Pike Road	21.0

Source: Alabama Department of Revenue.

Assessed Valuation of Taxable Property

The following table contains the assessed value of taxable property in the County for the last five tax years:

Tax Year Ended September 30	Assessed Value of Real and Personal Property	Assessed Value of Motor Vehicles	Total Assessed Value
2014	$2,328,694,702	$325,153,640	$2,653,848,342
2013	2,334,752,912	331,058,460	2,665,811,372
2012	2,358,736,680	312,720,060	2,671,456,740
2011	2,377,210,290	289,675,708	2,666,885,998
2010	2,447,234,700	272,577,640	2,719,812,340

Source: Montgomery County Revenue Commissioner and Judge of Probate.

Largest Ad Valorem Taxpayers

Listed below are the ten largest ad valorem taxpayers in the County on the basis of total county ad valorem taxes paid during the tax year ended September 30, 2014, on property located within the County:

Taxpayer	Assessed Value	Total County Ad Valorem Taxes Paid
Alabama Power Company	$ 80,052,680	$2,800,976.37
Hyundai Motor Manufacturing	201,686,020	3,012,048.81
Bellsouth Telecommunications LLC	15,615,400	553,232.65
CSX Transportation Inc.	14,912,480	483,746.32
Mobis Alabama LLC	21,348,680	388,442.50
NP/I&G Eastchase Property Owner LLC	10,616,640	387,507.36
Dixie Electric Cooperative	11,764,020	348,762.19
Wal Mart Real Estate Business Trust	9,517,280	347,380.72
Alabama Gas Corporation	9,790,040	346,741.12
Rheem Manufacturing Sales Inc.	7,609,600	277,750.40

*Collections from Hyundai Motor Manufacturing Alabama, LLC reflects the impact of certain abatements of ad valorem taxes except those for school purposes. Also, the total amounts paid has not been reduced to account for any of such taxes collected being paid to the City of Montgomery. The amounts paid also does not reflect taxes on motor vehicles collected by Montgomery County Judge of Probate or the Alabama Department of Revenue.
Source: Montgomery County Revenue Commissioner 2014.

SALES AND USE TAXES

The County 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 within the County. The County also levies a use tax on tangible personal property brought into the County for storage, usage or consumption in the County where no tax or a reduced amount of tax was collected on the initial sale. The sales and use taxes are levied pursuant to a local act applicable to the County.

The County levies sales and use taxes generally at a rate of two and one-half percent (2.5%). The sales and use tax rates applicable to agricultural machinery, manufacturing machinery and automobiles are one-third of one percent (.33%). The sales tax rate applicable to vending machines is one and one-quarter percent (1.25%). A portion of the sales and use taxes levied by the County are levied for the exclusive benefit of the Montgomery County Public Schools (the "Public Schools"). Of the 2.5% sales and use taxes levied by the County, 1% is levied exclusively for the Public Schools and the other 1.5% is levied for general County purposes. The Public Schools' share of the sales and use tax proceeds is paid for the Public Schools and is not reflected in the County's financial statements or in the historical sales and use tax collections under the heading "COUNTY FINANCIAL SYSTEM – Tax Collections" herein.

Because the State of Alabama levies sales and use taxes at the rate of 4%, the effective rate of all such taxes in the County is 6.5%, except for (i) that portion of the County which is within the taxing jurisdiction of the City of Montgomery (which levies sales and use taxes generally at a rate of 3.5%), in which area the total rate is 10% (except with respect to sales of certain specified types of personal property where the effective total rate is less) and (ii) that portion of the County which is within the taxing jurisdiction of the Town of Pike Road (which levies sales and use taxes generally at a rate of 2.25%), in which area the total rate is 8.75% (except with respect to sales of certain specified types of personal property where the effective total rate is less).

The County ordinance levying the sales and use taxes incorporates by reference the exemptions and regulations under the statewide sales and use tax act. The County sales and use taxes are collected monthly by the County. Under applicable judicial precedents, such taxes may not be levied at rates that are confiscatory or unreasonable.

CERTAIN DEMOGRAPHIC INFORMATION ABOUT THE COUNTY

General Information

The County is located in central Alabama at the intersection of Interstate Highway 85 (east and west) and Interstate Highway 65 (north and south). The City of Montgomery, the County seat of the County, is 164 miles southwest of Atlanta, 92 miles south of Birmingham, and 155 miles north of Mobile and the Gulf of Mexico. Approximately one-third of the population of the United States lives within a 600-mile radius of Montgomery.

The City of Montgomery is the Capital of the State of Alabama and the seat of County government. The City of Montgomery makes up 17.9% of the County's land area, but contains approximately 89% of the residents of the County. With a population of over 200,000, Montgomery is the third largest city in the State.

In 2002, the County was selected by Hyundai Motor Company as the location for its first United States auto assembly plant. The plant cost approximately $1.7 billion to acquire and construct and contains approximately 2 million square feet of space, situated on approximately 1,744 acres of land, and includes a stamping facility, a paint shop, a vehicle assembly shop, a two-mile test track and an engine shop. In 2005, the auto assembly plant began production of automobiles. At full operation, the Hyundai plant is capable of producing approximately 350,000 automobiles annually. Both the Hyundai Sonata and the Hyundai Santa Fe sport utility vehicle are produced at the assembly plant.

In addition to the location and construction of the assembly plant, over 20 new Tier 1 and Tier 2 suppliers have located automobile operations in the Montgomery MSA in order to supply the needs of the plant. Of these suppliers, one is located within the City of Montgomery.

Population

The population of the County and the City of Montgomery since 1960 is shown in the following table:

Historical Population Counts

Year	County	City of Montgomery
1960	169,210	134,394
1970	167,790	133,386
1980	197,038	177,857
1990	209,085	187,106
2000	223,510	201,568
2010	229,363	205,764
2013*	226,659	205,764

* Estimated; U.S. Census Bureau, 2013 Population Estimates; City of Montgomery.
Source: United States Census Bureau.

Income Levels

Per capita personal income is the total income of all families and individuals in an area divided by the total population of the area. Per capita personal income in Montgomery County, the Montgomery Metropolitan Statistical Area (a geographic area made up of Montgomery County, Autauga County, Elmore County and Lowndes County; herein the "Montgomery MSA") the State of Alabama and the United States is shown below for the years indicated. Per capita personal income in the Montgomery MSA and the County are above average for the State of Alabama.

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Per Capita Personal Income

	2012	2011	2010
Montgomery County	$39,759	$38,795	$38,081
Montgomery MSA	37,905	37,044	36,259
State of Alabama	35,926	34,929	33,905
United States	43,735	42,298	40,163

Source: United States Department of Commerce, Bureau of Economic Analysis.

Median family income is the total income of all families in an area divided by the total number of families in the area. Median family income in the Montgomery MSA, the State of Alabama and the United States is shown below for the years indicated. Median family income in the Montgomery MSA has exceeded that of the State of Alabama in recent years.

Median Family Income

	2014	2013	2012	2011	2010
Montgomery MSA	$59,600	$61,500	$60,100	$59,300	$59,200
State of Alabama	54,100	53,600	55,400	54,600	54,100
United States	63,900	64,400	65,000	64,200	64,400

Source: United States Department of Housing and Urban Development.

Employment and Labor Force

A comparison of the County's unemployment rate with that of the State of Alabama and the United States for the last six calendar years is as follows:

Comparative Unemployment Rates

	2013	2012	2011	2010	2009	2008
Montgomery MSA	6.6%	7.5%	8.8%	8.9%	9.3%	5.1%
Montgomery County	6.9	7.7	9.1	9.1	9.3	5.2
State of Alabama	6.5	7.3	8.7	9.3	9.8	5.0
United States	7.4	8.1	8.9	9.6	9.3	5.8

Source: Alabama Department of Industrial Relations.

The ten largest employers in the Montgomery area, their principal activity and the approximate number of employees of each are as follows:

Employer	Type of Business	Number of Employees
Maxwell-Gunter Air Force Base	Federal Government	12,280
State of Alabama	State Government	11,830
Montgomery County Board of Education	Public School System	4,524
Baptist Health Systems	Hospitals/Clinics	4,300
Hyundai Motor Manufacturing Alabama, LLC	Automotive Manufacturing	3,100
ALFA Insurance Companies	Insurance	2,568
City of Montgomery	Local Government	2,500
Jackson Hospital & Clinic, Inc.	Healthcare	1,300
MOBIS Alabama, LLC	Automobile Parts Supplier	1,221
Rheem Water Heaters	Water Heater Manufacturing	1,173

Source: Montgomery Area Chamber of Commerce (2013).

Montgomery County
Employment by Industry

	Number Employed	%
Natural Resources, Mining and Construction	5,900	3.5
Manufacturing	18,200	10.7
Trade, Transportation, Warehousing and Utilities	30,100	17.5
Information	2,200	1.3
Financial Activity	7,300	4.3
Professional and Business Services	21,500	12.7
Education and Health Services	18,900	11.1
Leisure and Hospitality	15,200	9.0
Other Services	7,300	4.3
Government	43,600	25.6

Source: Montgomery Area Chamber of Commerce (2013).

Housing

The following table presents information about existing housing units in the County, the Montgomery MSA and the City of Montgomery:

Montgomery Area Housing Units

	Housing Units			Percent Change	
	2010	2000	1990	2000-2010	1990-2000
City of Montgomery	92,115	86,787	76,636	6.1%	13.2%
Montgomery County	101,641	95,437	84,525	6.5	12.9
Montgomery MSA	161,573	138,882	116,754	16.3	19.0

Source: United States Census Bureau.

Military Community

Maxwell Air Force Base, including its Gunter Annex, along with the Alabama National Guard and other Department of Defense initiatives, generates a significant annual economic impact in the Montgomery area. The area's military population includes officers and enlisted personnel stationed at Maxwell Air Force Base (herein referred to as the "MAFB") and the Gunter Annex, and those attending the many schools at MAFB that comprise the Air University.

Air University, established in 1946 at MAFB, provides diversified educational programs that affect the careers of almost every Air Force member. The Air University's mission is to conduct continuing education for officers, enlisted personnel and civilians to prepare them for command, staff, leadership and management responsibilities. Air University also provides specialized education to meet Air Force requirements in scientific, technological, managerial and other professional areas. Air University is also responsible for research in many areas of aerospace and flight technology. Not only does Air University reach throughout the United States Air Force, but it also provides professional education to leaders of America's allies, and its students come from locations throughout the world.

Transportation

Air Transportation. Montgomery Regional Airport (Dannelly Field) provides service to Atlanta, Cincinnati, Memphis, Charlotte and Houston. Delta Connection, US Air Express and American Eagle serve Dannelly Field.

Railroad. The County is served by CSX Transportation. This railroad and its connections serve all parts of the South and connect the County with all other sections of the United States.

River. The Alabama River was opened to barge traffic from Montgomery to Mobile in 1972 when the last of three locks and dams was completed. This 350 mile waterway now carries more than 2 million tons of freight annually. The Alabama

State Docks Department, an agency of the State of Alabama, operates and maintains a public inland grain terminal and dock in Montgomery. The Alabama State Docks in Montgomery maintains a public dock with 100-ton capacity inside a protected barge turning basin.

Miscellaneous. The County is served by more than two dozen motor freight lines and two interstate bus lines. The County is served by a network of highways, including U.S. Interstate Highways 65 and 85, and U. S. Highways 31, 80, 82, 231 and 331, connecting the County with all parts of the State and nation.

Education

Primary and Secondary. Primary and secondary education in both the County and in the City of Montgomery is administered by the Board of Education of Montgomery County. The Montgomery County Public School System is the largest fully accredited school system in the State of Alabama.

The Montgomery County Board of Education operates 64 schools, consisting of four senior high schools, eight middle and junior high schools, 30 elementary schools, nine magnet schools, two alternative schools and one special education center. Approximately 31,470 students are enrolled in the County school system and approximately 3,940 faculty and support personnel are employed by the Montgomery County Board of Education. There are also located in the County several church-related private schools and at least two secular college preparatory schools.

Higher Education. The County serves as the home to several post-secondary educational institutions with more than 22,000 students enrolled at eight institutions. These universities and colleges are Amridge University, Auburn University at Montgomery, Alabama State University, Troy University (Montgomery Campus), Faulkner University (including the Jones School of Law), Southern Christian University, Huntingdon College, South College and Trenholm State Technical College.

Comparative Educational Attainment. The following table compares the educational attainment of persons age twenty-five or older in Montgomery County, the State of Alabama and the United States for the calendar year:

Comparative Educational Attainment

	High School Graduate or Higher	Bachelor's Degree or Higher
Montgomery County	84.7%	30.5%
State of Alabama	81.4	21.7
United States	85.0	27.9

Source: United States Census Bureau, 2010 Census; Montgomery County; Montgomery Area Chamber of Commerce.

Healthcare

The hospitals located in the County offer comprehensive health care facilities and services, and specialized medical care is available to meet the growing and changing needs of the County and the surrounding service area. There are three acute care hospitals located in Montgomery: Baptist Medical Center East (located adjacent to Auburn University at Montgomery); Baptist Medical Center South located on South Boulevard; and Jackson Hospital, located near downtown, adjacent to I-85.

RESOLUTION

STATE OF ALABAMA §
§
COUNTY OF MONTGOMERY §

BE IT HEREBY RESOLVED by the Montgomery County Commission on the 20th day of April 2015 the following:

1. From time to time, it may become necessary for county attorneys Thomas T. Gallion III (and his law firm) and Tyrone C. Means (and his law firm) to engage contract attorneys rather than engage partners or associates to assist as may be needed with matters assigned to the respective counsel.

2. The Montgomery County Commission hereby authorizes the county attorneys to assign to contract attorneys such work as may be in their professional judgment needed and is in the best interest of the county.

3. Furthermore, the county attorneys shall advise the county administrator in writing and in advance whenever contract attorneys are assigned to a county matter.

4. Additionally, the county attorney shall also advise the county administrator the hourly rate of compensation which the county attorney may bill the county shall in no case be more than rates the county has authorized to the county attorneys.

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5. Said county attorneys are hereby authorized to bill the county as it would if the engaged contract attorneys were a partner, associate or otherwise and employee of their respective firms.

Elton N. Dean, Sr. Chairman

Daniel Harris, Jr., Vice Chairman

Jiles Williams, Jr.

Ronda M. Walker

Andrew D. Hall

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Waugh-Mount Meigs Volunteer Fire Protection Authority

P. O. Box 23 • Mount Meigs, Alabama 36057

April 14, 2015

Mr. Donald L. Mims
Administrator, Montgomery County Commission
P. O. Box 1662
Montgomery, AL 36102-1667

Dear Mr. Mims:

Mr. Lindsey Ray, whose term expired on March 1, 2015 as board member of the Waugh-Mount Meigs Volunteer Fire Protection Authority, has consented to be reappointed.

If you have questions, please feel free to call me at home (334) 215-7503 or cell (334) 657-4469.

Sincerely,

Alma J. Bowen

Alma J. Bowen
President

5 Stations Protecting Montgomery County District 3

Line Creek Road (Station 1) • Alexander Road (Station 2) • Okfuski Trail (Station 3) • Mount Meigs (Station 4) • Wares Ferry Road (Station 5) 3-2

Waugh-Mt. Meigs Volunteer
Fire Protection Authority

Members:	**Term Expires:**
* Lindsey Ray Mt. Meigs, AL	3/1/2015
John Crayton Mt. Meigs, AL	3/1/2017
Alma Bowen Mt. Meigs, AL	3/1/2019

cc: Alma Bowen, Chairperson

Term: 6 years

STATE OF ALABAMA
COUNTY OF MONTGOMERY

PURCHASE AND SALE AGREEMENT

This PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into by and between Christina Howell Pirtle, a married person (hereinafter referred to as "Seller"), and Montgomery County Commission, a governmental entity (hereinafter referred to as "Buyer");

WITNESSETH:

1. PROPERTY. Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase and take from Seller, under and subject to the terms, conditions and provisions hereof that certain real property initially described as follows:

A. Approximately 1.42 acres, more or less, lying and being situated in Montgomery County, Alabama, as depicted on Exhibit "A" attached hereto and made a part hereof as though set forth in full herein (hereinafter referred to as the "Property), together with all appurtenances, rights of way, privileges, easements, and other rights benefiting or pertaining to the Property and all right, title and interest, if any, of the Seller in and to any land lying in the right-of-way in front or adjoining the Property to the centerline thereof. An exact legal description will be obtained by survey to be performed by Professional Engineering Consultants, LLC with each party paying one-half (1/2) of the cost thereof.

B. A waiver of the first right of refusal in favor of Henry Winston Pirtle, Sr., Seller's present spouse, to purchase the property is attached hereto as Exhibit "B".

2. PURCHASE PRICE: The Purchase Price of the Property (the "Purchase Price") shall be Seventeen Thousand Forty and No/100 ($17,040.00) Dollars. The Purchase Price shall be payable as follows:

The Purchase Price after deductions for credits and prorations as herein provided, shall be paid in full at the Closing herein provided by cashier's check or cash on the day of Closing.

3. INSPECTION PERIOD.

(a) Buyer shall have a period of forty-five (45) days after the Effective Date of this Agreement (the "Inspection Period") to satisfy itself as to any or all matters or conditions pertaining to the Property and the intended use and development thereof. In the event it is determined that a Phase II environmental test is required, the Inspection Period shall be extended for ninety (90) days from the end of the initial Inspection Period. Seller shall deliver within fourteen (14) business days after the Effective Date an abstract of title to the Property updated to current date. During the Inspection Period, Buyer shall have the right to inspect the Property, to conduct land use, engineering and environmental studies and reviews with respect to the Property, to conduct a market analysis of the Property and the intended use thereof, to confirm and seek, as necessary,

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governmental land use approvals, permits and licenses with respect to the Property and the intended use and development thereof. Notwithstanding anything contained herein to the contrary, in the event that Buyer determines, in its sole and absolute discretion, that the Property is not satisfactory for any reason, Buyer shall have the right to terminate this Agreement at any time, without explanation for its reason of termination, on or before the expiration of the Inspection Period or an extension thereof by delivering to Seller its notice in writing (the "Termination Notice") and all rights and obligations hereunder shall cease and terminate. In the event this Agreement is NOT terminated by Buyer within the Inspection Period, or an extension thereof, it shall be deemed accepted and the panics hereto shall proceed to close this sale as set forth herein; and

(b) The parties hereto agree and acknowledge that Buyer will be furnished access to the Property for the purpose of assessing its condition and allowing Buyer to make Buyer's own determination as to whether or not Buyer wishes to purchase the Property. Accordingly, by consummating this sale, the Buyer shall be conclusively deemed to have accepted the Property in its then "AS IS" condition, both as to property defects seen and unseen and conditions natural or artificial, without any warranties, express or implied (with the exception of any warranty of title provided for under the Deed) and the Buyer hereby releases and discharges the Seller and its agents, servants and employees from any and all liability or claims of liability arising from or as the result of' any condition existing on, in or under the Property or any buildings or improvements thereon.

4. <u>GOVERNMENTAL APPROVALS.</u> Except as otherwise provided below in this Paragraph 4, Buyer is hereby authorized to seek and obtain any and all permits. licenses; site and development approvals, permits and authorizations, zoning variance approvals, curb-cut approvals, and any and all other approvals or consents as Buyer may deem necessary in connection with its proposed acquisition, development and use of the Property and Seller agrees to cooperate with Buyer in such endeavor. If any such applications, approvals or permits are required to be sought in Seller's name. Seller shall upon Buyer's request seek same without cost to Seller. As part of the consideration for Buyer's payment of the Purchase Price, Seller shall assign, transfer and convey to Buyer at Closing all permits, approvals, licenses, site and. development plans affecting the Property issued in Seller's name which Buyer requests Seller to assign to Buyer and shall deliver such originals to Buyer at Closing, provided such permits, licenses, approval and plans are assignable.

5. <u>ENTRY UPON PROPERTY.</u> Upon execution of this Agreement, Buyer, its agents, employees, contractors and all other persons authorized by it, or any of them, are permitted to enter upon the Property and to obtain and perform such tests, studies and maps as Buyer may deem necessary or advisable including, but not limited to, percolation, soils, hazardous waste, appraisals, topographic studies, environmental, and geological tests and studies all at Buyer's cost. In the event Buyer, its agents, or its employees disturbs any portion of the Property, or the surface thereof, as a result of such entry, tests, or inspections, Buyer agrees to restore the Property to its original condition at Buyer's sole cost and expense The provisions of this Paragraph 5 shall survive the expiration or termination of this Agreement or the Closing as the case may be.

6. <u>BUYER'S INDEMNIFICATION.</u> Buyer hereby indemnifies and agrees to hold harmless Seller from any and all damages, claims, costs and expenses (including, but not limited

to, reasonable attorney's fees) arising from any injury or death to persons or damage or destruction to property arising from the act or omission of Buyer, its agents, employees or independent contractors, their respective agents or employees, on or near the Property. This provision shall survive the Closing.

7. CLOSING. Subject to the satisfaction of all the conditions hereof or the waiver in writing thereof by Buyer, the date of Closing shall be the date that is on or before June 1, 2015, unless such date is a Saturday, Sunday or legal holiday, in which event the date shall be extended to the next business day. The sale shall be closed in Montgomery. Alabama, at the office of Buyer's attorney. At Closing, Seller shall deliver to Buyer a Warranty Deed (the "Deed") conveying a good and merchantable, indefeasible fee simple title in and to the Property, subject to covenants, restrictions, reservations, easements and rights-of-way, if any, heretofore imposed of record affecting title to said Property and further subject to any municipal zoning ordinances now, or hereafter becoming applicable, matters of survey, and taxes and assessments hereafter becoming due against said Property. The description used in the Deed shall be one and the same and shall coincide with the legal description set forth on survey of Property to be performed by Professional Engineers Consulting, LLC. Seller shall pay at Closing, by deduction from the Purchase Price, any outstanding mortgage, lien or deed of trust and one-half (1/2) of all costs associated with this transaction except the cost of owner's title insurance. Buyer shall pay one-half (1/2) of all costs associated with this transaction in addition thereto and the premium for owner's title insurance. Ad valorem taxes shall be prorated as of Closing. Any assessments due as of closing and levied against the Property shall be paid in full by Seller at Closing. At Closing, Buyer shall pay the Purchase Price, subject to adjustments and credits as herein provided. Seller shall also execute and deliver at Closing such affidavits of title, lien and possession as may be required by Buyer and appropriate 1099 forms. Except for the right of entry granted herein, possession shall be given to Buyer on the date of Closing, free and clear of all tenancies and parties in possession.

8. DEFAULT- REMEDIES. If Seller has complied with all of its obligations herein contained and all of Seller's representations and warranties are true and correct, and all of the conditions herein have been met to Buyer's satisfaction or waiver in writing by Buyer, but Buyer fails to proceed with the purchase of said Property, then Seller may (I) declare this Agreement cancelled and of no farther force and effect or (ii) Seller shall be permitted to seek the remedy of specific performance against Buyer. If Seller defaults, violates, or breaches any of its warranties, covenants, obligations and representations and warranties herein provided, then, in such event, Buyer may (I) declare this Agreement canceled and of no further force and effect, or (ii) Buyer shall be permitted to seek the remedy of specific performance against Seller. In no event shall either party be entitled to sue the other party for damages. If Seller or Buyer fails to comply with all of the terms, covenants and conditions of this Agreement, the prevailing party in any lawsuit will be entitled to all expenses, including a reasonable attorney's fee, incurred as a result of such failure.

9. ASSIGNMENT. This Agreement may NOT be assigned by Buyer.

10. ENVIRONMENTAL CONCERNS. Notwithstanding anything contained in this Agreement to the contrary, in the event that, as a result of Buyer's investigation, "hazardous substance(s)", "hazardous waste(s)" or "hazardous material(s)", as defined under applicable federal or state law, or both, are found on the property, then Buyer shall have the right, within the Inspection Period or any extension thereof to terminate this Agreement; it being a condition precedent to Buyer's obligation to purchase the Property that the results of Buyer's environmental studies, reveal that the

Property is free from any and all "hazardous substance(s), "hazardous waste(s)", or "hazardous material(s)", as defined under applicable federal or state law, or both, provided such environmental studies are performed during the Inspection Period or any extension thereof. Buyer, its agents and representatives, are hereby authorized to perform any and all studies, tests and inquiries as it may deem appropriate or necessary in furtherance of the foregoing, including entering upon the Property, as provided in Paragraph 5 herein, and performing tests and studies thereon. Seller agrees that Buyer may make inquiry of pertinent governmental and administrative bodies and agencies concerning environmental violations or citations regarding the Property. Seller hereby represents, to its actual knowledge, that the Property contains no hazardous substances, wastes or materials. In the event Seller is notified by EPA, ADEM or other similar agency with regard to the Property. Seller agrees to immediately notify Buyer regarding such notice.

If Buyer receives notice of any violation of any Environmental Law related to the Property, Buyer will give Seller written notice of the same and all information it receives with respect thereof within ten (10) days after Buyer receives notice of same.

IN NO EVENT SHALL SELLER BE LIABLE OR REQUIRED TO REMEDY ANY ENVIRONMENTAL CONDITION OR COMPLY WITH ANY ENVIRONMENTAL LAW REGARDING THE PROPERTY EITHER BEFORE OR AFTER THE CLOSING OF THIS SALE. BY CLOSING THE SALE, THE BUYER SHALL BE CONCLUSIVELY DEEMED TO HAVE ACCEPTED THE PROPERTY AND ANY IMPROVEMENTS THEREON IN ITS THEN "AS IS" CONDITION, AND THE BUYER HEREBY RELEASES AND DISCHARGES SELLER AND ALL OF SELLER'S RESPECTIVE HEIRS, PERSONAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, FROM AND AGAINST ANY AND ALL LIABILITY, CLAIMS OF LIABILITY, SUITS, ACTIONS, JUDGMENTS, DAMAGES, LOSSES, RIGHTS OR CLAIMS OF CONTRIBUTION, AND OTHER RIGHTS, REMEDIES AND CLAIMS OF ANY AND EVERY KIND OR NATURE WHATSOEVER NOW OR HEREAFTER ARISING FROM OR IN ANY WAY CONNECTED WITH OR RELATED TO THE PROPERTY OR ANY EXISTING OR FUTURE ENVIRONMENTAL LAW APPLICABLE TO THE PROPERTY OR ANY HAZARDOUS MATERIAL LOCATED ON, IN, UNDER OR IN THE VICINITY OF OR RELEASED OR DISCHARGED FROM THE PROPERTY. THE PROVISIONS OF THIS PARAGRAPH SMALL SURVIVE THE CLOSING.

11. CONDEMNATION. Seller covenants and agrees that to its actual knowledge there is no pending or threatened condemnation or similar proceeding affecting the Property or any portion thereof nor does Seller have any knowledge that any such action is presently contemplated. Should any entity having the power of condemnation decide prior to the time of Closing to acquire the property or any portion of or interest in the Property, Buyer, at Buyer's sole option, may elect to (a) terminate Buyer's obligation to purchase the Property by giving written, notice to Seller at any time prior to the time of Closing or (b) complete the purchase of the Property with Seller immediately appointing Buyer its attorney in fact to negotiate with said condemning entity and assigning to Buyer all sums to be awarded.

12. NOTICES. Any notice permitted, or required to be given hereunder shall be made in writing and sent to receiving party at the address set forth below by Certified Mail, return receipt requested, or a nationally recognized overnight delivery service and shall be deemed given by either party to the other as of the date of first attempted delivery by the U.S. Postal Service or overnight delivery service, as appropriate, whether or not the receiving party receives the same. The addresses of the parties are:

Seller	Buyer
Christina Howell Pirtle	Montgomery County Commission
8237 US Highway 331	Attn: Mr. Donald L. Mims, Administrator
Montgomery, AL 36105	P. O. Box 1667
	Montgomery, AL 36102

13. NO WASTE. Seller agrees that from the Effective Date of this Agreement until the date of Closing, it will not commit or permit to be committed any waste or change in the condition or appearance of the Property or improvements thereon, or the cutting or severing of any growth or timber on the property, or convey any mortgage, lien, easement, mining or mineral rights or other rights in or to the Property, except as referred to in Paragraph 11, nor consent to any zoning, rezoning, or other restrictions of the Property except with the written consent and approval of Buyer. This provision shall not prohibit Seller from performing routine maintenance on the Property prior to the date of Closing.

14. MISCELLANEOUS.

(a) Seller warrants and represents to Buyer the following, all of which are true as of the date hereof (unless otherwise specified), and shall also be true as of the date of Closing:

(i) That Seller owns fee simple title to the Property and has the power and authority to enter into this Agreement, and the entering into of this Agreement and the performance of Seller's obligations hereunder shall not violate the terms or conditions of any applicable law, rule or regulation pertaining to Seller or the Property and the Property does not comprise the homestead of Seller or her spouse.

(ii) That unless excepted herein, Seller has not received notification from any lawful authority regarding any assessments, condemnations, except as set forth in paragraph 11, environmental notices, pending public improvements, repairs replacement, or alterations of the Property that has not been satisfactorily made.

(iii) Seller can deliver possession of the Property to Buyer free and clear from the claims of leasehold interests.

(iv) So long as this Agreement is in force, Seller shall not, without Buyer's consent, execute any easements or restrictions or otherwise take or permit any action which would, in Buyer's determination, constitute an exception to title.

Should any material representation by Seller herein prove false at any time prior to or at Closing, Buyer shall be entitled to terminate this Agreement and, in which event all rights and obligations hereunder shall terminate.

(b) In the event it becomes necessary for either Seller or Buyer to employ the services of an attorney to enforce any term, covenant or provision of this Agreement, then each party agrees that the non-prevailing party shall pay the reasonable attorney's fees incurred by the prevailing party in enforcing this Agreement.

(c) This Agreement constitutes the entire and complete agreement between the parties hereto and supersedes any prior oral or written agreements between the parties with respect to the Property. It is expressly agreed that there are no verbal understandings, other options to purchase or lease all or any portion(s) of the Property, or any other agreement which in any way may affect or change the terms, covenants, and conditions herein set forth, and that no modification of this Agreement and no waiver of any of its terms and conditions shall be effective unless made in writing and duly executed by the parties hereto.

(d) Each party hereto has been represented, or had the opportunity to be represented, by separate counsel in connection with the negotiation and drafting of this Agreement Accordingly, no ambiguity herein shall be resolved against either party based upon principles of draftsmanship.

(e) All personal pronouns used in this Agreement whether used in masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa.

(f) Any provision of this Agreement or any paragraph, sentence, clause, phrase or wording appearing herein which shall prove to be invalid, void or illegal for any reason shall in no way affect, impair or invalidate any other provision hereof, and the remaining provisions, paragraphs, sentences, clauses, phrases and words hereof shall nevertheless remain in full force and effect.

(g) This Agreement shall be construed and enforced in accordance with the laws of the State of Alabama.

(h) As used herein, the "Effective Date of this Agreement" shall be the last date of execution of this Agreement by the parties comprising Seller and Buyer.

15. AGENCY DISCLOSURE AND BROKERS. Each party represents and warrants to the other that no real estate or other commission or fees are due in connection with the sale contemplated by this Agreement. Each party indemnifies the other for any costs or liability resulting from said party's contract with any broker other than as specified herein.

16. EXCHANGE. Each party agrees to cooperate with the other in the event either party elects to utilize an exchange to either purchase or sell the Property being conveyed herein, with other real estate in a transaction or transactions that will qualify as a like-kind exchange under Section 1031 of the Internal Revenue Code of 1986, as amended, and to execute any additional documents necessary to effect

the exchange, including, without limitation, an exchange agreement, an escrow agreement or a qualified intermediary agreement. However, the party not initiating the exchange shall not incur any additional costs, expenses or liabilities in excess of the costs or liabilities that it would have incurred from a direct purchase/sale of the Property, nor shall it be required to accept a deed to such exchange property so that its name shall not appears in the chain of title with respect to such exchange property. Furthermore neither party will provide any warranties of the tax treatment of the transaction to the other.

17. CONDITION OF THE PROPERTY. Seller agrees to maintain the Property and all related improvements in their current condition from the Effective Date of this Agreement until the date of Closing.

18. SPECIAL PROVISIONS.

(a) Buyer agrees to utilize the property only for governmental purposes.

(b) In the event Buyer does not utilize the property for a governmental purpose within seven (7) years from the date of recording of the deed (right to purchase date), then Seller, her lineal descendants or heirs, shall have an irrevocable right to repurchase the property for one (1) year from the right to repurchase date. The purchase price shall be the price paid by the Montgomery County Commission plus interest therein compounded annually at a rate of 4.25%. A public, paved or unpaved driveway constructed thereon accessing the parking lot on the adjacent property owned by Buyer shall be deemed a governmental purpose.

19. All the provisions of Paragraph 18 shall survive the closing.

IN WITNESS WHEREOF, Seller and Buyer have hereunto executed this Purchase and Sale Agreement on the dates appeasing beneath their respective signature blocks.

WITNESS: SELLER:

____________________ ____________________

Christina Howell Pirtle
Social Security No.: __________
DATE OF EXECUTION:________

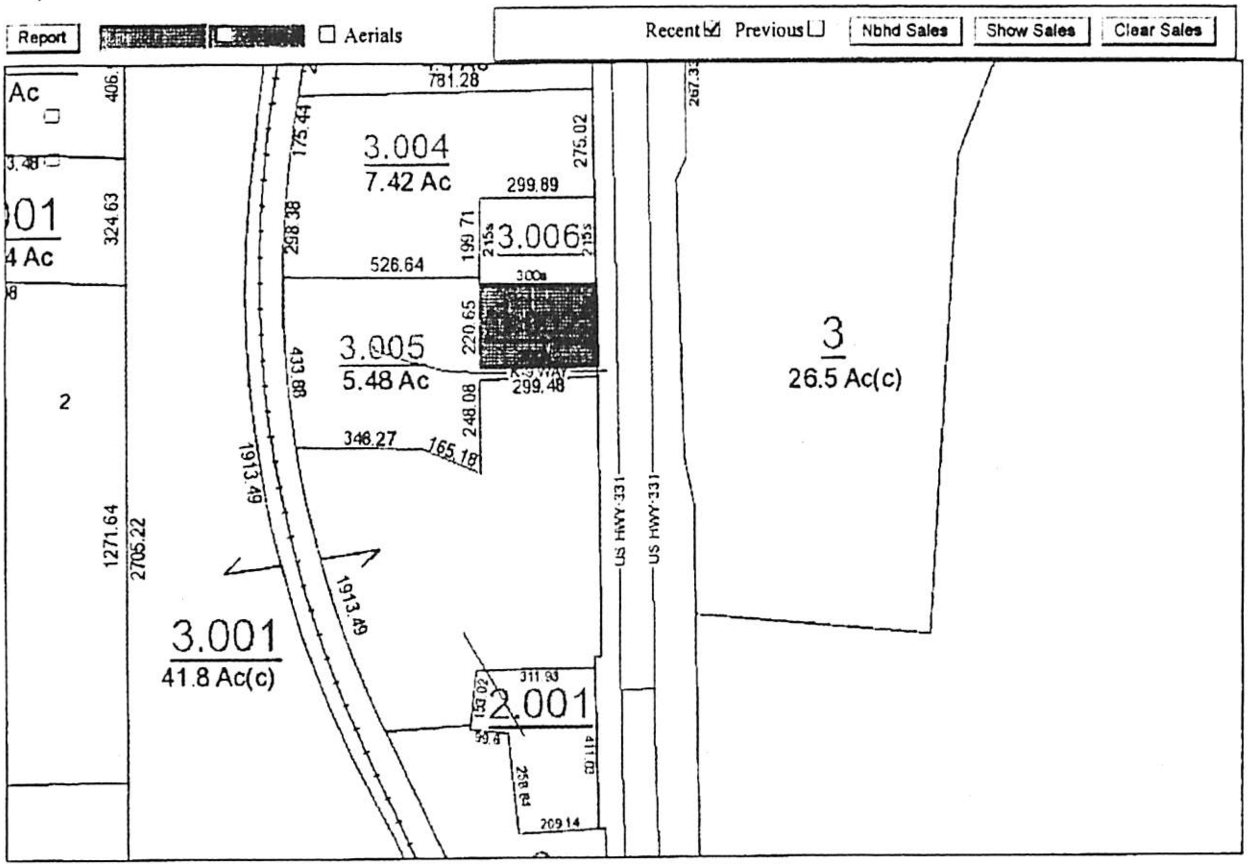
WITNESS: BUYER:

MONTGOMERY COUNTY COMMISSION

____________________ BY: ____________________

Elton N. Dean, Sr., Chairman
DATE OF EXECUTION:________

EXHIBIT "a"



TAX PARCEL NO.: 21 03 06 0 000 003.002

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EXHIBIT "B"

WAIVER

I, Henry Winston Pirtle, Sr., waive that certain first right of refusal set forth in that certain deed from Henry Winston Pirtle, Sr. to Christian H. Pirtle dated August 23, 2001, recorded in the Office of the Judge of Probate of Montgomery County, Alabama, in Real Property Book 2361, at Page 600.

This the _____ day of ________________, 2015.

____
Henry Winston Pirtle, Sr.

STATE OF ALABAMA)
COUNTY OF MONTGOMERY)

I, ____________________, a Notary Public in and for said State and County hereby certify that Henry Winston Pirtle, Sr., whose name is signed to the foregoing conveyance, and who is known to me acknowledged before me on this day, that, being informed of the contents of the conveyance he executed the same voluntarily on the day the same bears date.

Given under my hand and seal this ____ day of ___________, 2015.

(NOTARIAL SEAL)

____
NOTARY PUBLIC
MY COMMISSION EXPIRES: __________

ARONOV

Via Federal Express

March 13, 2015

Donald L. Mims
Montgomery County Commission
101 S. Lawrence Street
Montgomery, Alabama 36104

RE: Commencement of Term Agreement
Montgomery County Commission
d/b/a MONTGOMERY PROBATE
Montgomery East Shopping Center

Dear Donald:

Pursuant to Section 3.1 of the Lease Agreement, enclosed are four (4) execution originals of the proposed Commencement of Term Agreement for the above-referenced Shopping Center. Please have signed and attested in the appropriate places, which are tabbed for your convenience. Please return all four (4) originals to us and provided that they are properly signed and attested, we will then present them to the Landlord for consideration. Upon execution by the Landlord, one fully executed document will be returned to you for your records.

If you have any questions or comments, please do not hesitate to contact Sherry LeGare-Underwood at (334) 277-1000.

Sincerely,

ARONOV REALTY MANAGEMENT

Shannon Ferrari
Assistant to Zack Rolen
Vice President, Shopping Center Leasing

Enclosures

cc: Steve Wallace

Aronov Realty Management, Inc.
3500 Eastern Boulevard Montgomery, Alabama 36116-1781
Tel 334-277-1000 Fax 334-272-0747 www.aronov.com
Mailing Address Post Office Box 235000 Montgomery, Alabama 36123-5000

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COMMENCEMENT OF TERM AGREEMENT

This Commencement of Term Agreement (hereinafter referred to as the "Agreement") is made and entered into this ____ day of ____________________, 2015, by and between **EAST MONTGOMERY INVESTMENT COMAPNY,** an Alabama general partnership (hereinafter referred to as "Landlord"), and **MONTGOMERY COUNTY COMMISSION** d/b/a MONTGOMERY PROBATE (hereinafter referred to as "Tenant").

WITNESSETH:

WHEREAS, by that certain lease agreement dated February 21, 2012 (said lease, together with that certain Lease Amendment dated January 10, 2013, is hereinafter referred to as the "Lease"), Landlord leased to Tenant that certain premises containing approximately eight thousand (8,000) square feet of floor area and known as Space 10 (hereinafter referred to as the "Premises") in the **MONTGOMERY EAST** Shopping Center situated in the City of Montgomery, County of Montgomery, State of Alabama; and

WHEREAS, Tenant is now in possession of the Premises and has opened for business; and

WHEREAS, as of the date of the Lease, the commencement date of the Term of the Lease had not been determined; and

WHEREAS, pursuant to Section 3.1 of the Lease, Landlord and Tenant desire to specify the commencement date and termination date of the Term of the Lease; and

WHEREAS, the parties negotiated a temporary rent abatement in connection with Tenant's installation of a new HVAC unit serving the Premises.

NOW THEREFORE, the parties hereto agree as follows:

1. The foregoing recitals are true and correct in every respect and incorporated herein by reference.

2. Capitalized terms which are used herein and which are not otherwise defined shall have the same meanings as said terms are used and defined in the Lease.

3. The Term of the Lease commenced on July 1, 2012 and all references in the Lease to the "Commencement Date" shall mean July 1, 2012.

4. The abatement of Annual Basic Rental pursuant to Section 19.30 of the Lease was to begin on the Commencement Date and continue until a credit applicable to Annual Basic Rental in the amount of Fifteen Thousand and No/100 Dollars ($15,000.00) was exhausted on October 19, 2012, subject to the completion of Tenant's work. As said abatement has not yet occurred, the parties hereby agree that such abatement shall begin on April 1, 2015 and continue until July 19, 2015 (the "Rent Abatement Period"). Tenant shall receive monthly

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statements on or before the first day of each month specifying the amount of Rental due for each month during the Rent Abatement Period.

5. The Term of the Lease shall terminate on October 31, 2017, and all references in the Lease to the "Termination Date" shall mean, October 31, 2017.

6. All other terms and conditions of said Lease are hereby reaffirmed as being in full force and effect.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed the foregoing document on the day the same bears date.

ATTEST:

By:______________________
Sherry LeGare-Underwood
Assistant Secretary

LANDLORD:
EAST MONTGOMERY INVENSTMENT COMPANY, an Alabama general partnership

By: Macol Corporation,
an Alabama corporation
Its: General Partner

By: ______________________
J. Zack Rolen
Its: Vice President

ATTEST:

By:______________________

Its:______________________

TENANT:

MONTGOMERY COUNTY COMMISSION
d/b/a Montgomery Probate

By:______________________

Its:______________________

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03-20-15 slu ver.2pdf
03-01-15 slu ver.1
Montgomery East/Montgomery Probate Office / COT

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Montgomery County Commission
Travel / Training Request Approval

Appendix C

AGENDA

MAY - 4 2015

Request # 13

Date: April 28, 2015

To: Donald L. Mims, Administrator

From: Didi Henry

Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Selma, AL

Departure Date: May 21, 2015 Return Date: May 21, 2015

Conference Leave (Days / Hours): 1 Day

Purpose of Travel: Blackbelt Meeting

Traveler (s) Name: 1. Didi Henry 4.
2. 5.
3. 6.

Check Mode of Transportation: County Vehicle [ ] Commercial Air [ ]
Private Vehicle [XX] Other (Specify) [ ]

Total (est.) Cost: $57.50 Advance Registration Required:

Department Name: Public Affairs Dept Fund Name: General

Additional Comments: Mileage - $57.50

To: Didi Henry

From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $57.50 and advance registration of $0.00 is authorized.

To be completed by the Finance Department

Fund Code:	001-51130.265 (ex: 000-00000-000)
Description:	Registration & Training
Current Budget:	$3.500.00
Approved Requests:	$1.377.90
Budget Available:	$2.122.10
Current Requests:	$57.50
Budget Balance:	$2.064.60

Donald L. Mims, Administrator

Reviewed by: S. Thomas

Date: 4/29/2015

cc: Finance Director / Buyer

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Revised October 12, 2005

Montgomery County Commission
Travel / Training Request Approval

Appendix C

Request # 14

AGENDA
MAY - 4 2015

Date: April 28, 2015
To: Donald L. Mims, Administrator
From: Didi Henry
Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Birmingham, AL
Departure Date: June 18, 2015 Return Date: June 18, 2015
Conference Leave (Days / Hours): 1 Day
Purpose of Travel: Blackbelt Meeting

Traveler (s) Name: 1. Didi Henry 4.
2. 5.
3. 6.

Check Mode of Transportation: County Vehicle [ ] Commercial Air [ ]
Private Vehicle [XX] Other (Specify) [ ]

Total (est.) Cost: $105.80 Advance Registration Required:
Department Name: Public Affairs Dept Fund Name: General
Additional Comments: Mileage - $105.80

To: Didi Henry
From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $105.80 and advance registration of $0.00 is authorized.

To be completed by the Finance Department		
Fund Code:	001-51130.265	(ex: 000-00000-000)
Description:	Registration & Training	
Current Budget:	$3.500.00	
Approved Requests:	$1,377.90	
Budget Available:	$2,122.10	
Current Requests:	$163.30	
Budget Balance:	$1.958.80	

Donald L. Mims, Administrator

Reviewed by: S. Thomas
Date: 4/29/2015
cc: Finance Director / Buyer

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Revised October 12, 2005

Montgomery County Commission
Travel / Training Request Approval

Appendix C

Request # 15

AGENDA
MAY - 4 2015

Date: April 28, 2015
To: Donald L. Mims, Administrator
From: Didi Henry
Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Selma, AL
Departure Date: July 16, 2015 Return Date: July 16, 2015
Conference Leave (Days / Hours): 1 Day
Purpose of Travel: Blackbelt Meeting

Traveler (s) Name: 1. Didi Henry 2. 3. 4. 5. 6.

Check Mode of Transportation: County Vehicle [ ] Private Vehicle [XX] Commercial Air [ ] Other (Specify) [ ]

Total (est.) Cost: $57.50 Advance Registration Required:
Department Name: Public Affairs Dept Fund Name: General
Additional Comments: Mileage - $57.50

To: Didi Henry
From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $57.50 and advance registration of $0.00 is authorized.

To be completed by the Finance Department	
Fund Code:	001-51130.265 (ex: 000-00000-000)
Description:	Registration & Training
Current Budget:	$3,500.00
Approved Requests:	$1,377.90
Budget Available:	$2,122.10
Current Requests:	$220.80
Budget Balance:	$1,901.30

Donald L. Mims, Administrator

Reviewed by: S. Thomas
Date: 4/29/2015
cc: Finance Director / Buyer

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Revised October 12, 2005

Montgomery County Commission
Travel / Training Request Approval

Appendix C

Request # 7

AGENDA
MAY - 4 2015

Date: April 17, 2015
To: Donald L. Mims, Administrator
From: Judge Steven L. Reed
Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Monroeville, AL
Departure Date: May 14, 2015 Return Date: May 15, 2015
Conference Leave (Days / Hours): 2 Days
Purpose of Travel: to attend Probate Judges' Training Conference

Traveler (s) Name:
1. Judge Steven L. Reed
2. William Flowers, III
3.
4.
5.
6.

Check Mode of Transportation:
County Vehicle [ ] Commercial Air [ ]
Private Vehicle [X] Other (Specify) [ ]

Total (est.) Cost: $1,200.00 Advance Registration Required: $530.00
Department Name: Probate Fund Name: 001-51300-265
Additional Comments:

To: Judge Steven L. Reed
From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $1,200.00 and advance registration of $530.00 is authorized.

To be completed by the Finance Department		
Fund Code:	001-51300.265	(ex: 000-00000-000)
Description:	Registration & Training	
Current Budget:	$12,700.00	
Approved Requests:	$11,254.51	
Budget Available:	$1,445.49	
Current Requests:	$1,200.00	
Budget Balance:	$245.49	

Donald L. Mims, Administrator

Reviewed by: S. Thomas
Date: 4/21/2015
cc: Finance Director / Buyer

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Revised October 12, 2005

Montgomery County Commission
Travel / Training Request Approval

Appendix C

AGENDA

MAY - 4 2015

Request # 1

Date: April 28, 2015

To: Donald L. Mims, Administrator

From: George M. Noblin, Chairman, Board of

Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Lake Point State Park Lodge, Eufaula, AL

Departure Date: May 21, 2015 Return Date: May 23, 2015

Conference Leave (Days / Hours): 3 days

Purpose of Travel: Attend the Spring 2015 meeting of the Alabama Association of Boards of Registrars

Traveler (s) Name: 1. George M. Noblin 4. ______
2. ______ 5. ______
3. ______ 6. ______

Check Mode of Transportation: County Vehicle [ ] Commercial Air [ ]
Private Vehicle [X] Other (Specify) [ ] ______

Total (est.) Cost: $330.00 Advance Registration Required: ______

Department Name: Board of Registrars Fund Name: General Fund 001-51920.265

Additional Comments: Mileage, Lodging & Meals

To: George M. Noblin, Chairman, Board of

From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $330.00 and advance registration of $0.00 is authorized.

To be completed by the Finance Department	
Fund Code:	001-51920.265 (ex: 000-00000-000)
Description:	Registration & Training
Current Budget:	$1,500.00
Approved Requests:	$0.00
Budget Available:	$1,500.00
Current Requests:	$330.00
Budget Balance:	$1,170.00

______
Donald L. Mims, Administrator

Reviewed by: S. Thomas

Date: 4/29/2015

cc: Finance Director / Buyer

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Revised October 12, 2005

Montgomery County Commission
Travel / Training Request Approval

Appendix C

AGENDA
MAY - 4 2015

Request # 28

Date: April 17, 2015
To: Donald L. Mims, Administrator
From: Sheriff Derrick Cunningham
Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Biloxi, MS
Departure Date: Sunday, July 19, 2015 Return Date: Friday, July 24, 2015
Conference Leave (Days / Hours): 5 days
Purpose of Travel: Attend DARE Conference

Traveler (s) Name:
1. Cpl. Kofee Anderson
2.
3.
4.
5.
6.

Check Mode of Transportation:

County Vehicle	X	Commercial Air	
Private Vehicle		Other (Specify)	

Total (est.) Cost: $1,150.00 Advance Registration Required: $225.00
Department Name: Sheriffs Office Fund Name: 001-52110.265
Additional Comments:

To: Sheriff Derrick Cunningham
From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $1,150.00 and advance registration of $225.00 is authorized.

To be completed by the Finance Department		
Fund Code:	001-52110.265	(ex: 000-00000-000)
Description:	Registration & Training	
Current Budget:	$25,000.00	
Approved Requests:	$22,525.31	
Budget Available:	$2,474.69	
Current Requests:	$1,150.00	
Budget Balance:	$1,324.69	

Donald L. Mims, Administrator

Reviewed by: S. Thomas
Date: 4/21/2015
cc: Finance Director / Buyer

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Revised October 12, 2005

Montgomery County Commission
Travel / Training Request Approval

Appendix C

AGENDA

MAY - 4 2015

Request # 12

Date: April 20, 2015
To: Donald L. Mims, Administrator
From: Wanda J. Robinson, Director
Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Sandy Springs, GA
Departure Date: October 13, 2015 Return Date: October 16, 2015
Conference Leave (Days / Hours): 4 Days
Purpose of Travel: Handle With Care Instructor Certification Program

Traveler (s) Name:
1. Correctional Officer Varick Nix
2. Corporal Bobby Jones
3.
4.
5.
6.

Check Mode of Transportation: County Vehicle [x] Private Vehicle [ ] Commercial Air [ ] Other (Specify) [ ]

Total (est.) Cost: $2,700.00 Advance Registration Required: $1,000.00
Department Name: Sheriff (MCDF) Fund Name: General
Additional Comments:

Payment will be Prepaid in FY 2015 but Expensed in the FY 2016 Budget

---

To: Wanda J. Robinson, Director
From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $2,700.00 and advance registration of $1,000.00 is authorized.

To be completed by the Finance Department

Fund Code:	001-52200-265 (ex: 000-00000-000)
Description:	Registration & Training
Current Budget:	$15.000.00
Approved Requests:	$12,585.56
Budget Available:	$2.414.44
Current Requests:	$0.00
Budget Balance:	$2.414.44

Donald L. Mims, Administrator

Reviewed by: S. Thomas
Date: 4/21/2015
cc: Finance Director / Buyer

7-7

Revised October 12, 2005

Montgomery County Commission
Travel / Training Request Approval

Appendix C

AGENDA

MAY - 4 2015

Request # 20

Date: April 29, 2015

To: Donald L. Mims, Administrator

From: Clay Henley, Chief Appraiser

Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Foley, AL

Departure Date: June 22, 2015 Return Date: June 26, 2015

Conference Leave (Days / Hours): 5 Days

Purpose of Travel: AL IIA: Appraisal Manual (RES/AGR) (30 HOURS)

Traveler (s) Name:
1. LaNitra Lee
2. J'Varra McCall
3. Kathy Gatlin
4.
5.
6.

Check Mode of Transportation:

County Vehicle [ ] Commercial Air [ ]
Private Vehicle [X] Other (Specify) [ ]

Total (est.) Cost: $4,061.01 Advance Registration Required: $825.00

Department Name: Appraisal Fund Name: Reappraisal

Additional Comments: Registration-3 @ $275.00=$825.00 Hotel-3 @$500.00=$1500.00
Mileage-3@ $203.67=$611.01 Food-3@$375=$1125.00
TOTAL: $4,061.01

To: Clay Henley, Chief Appraiser

From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $4,061.01 and advance registration of $825.00 is authorized.

To be completed by the Finance Department	
Fund Code:	120-51985.265 (ex: 000-00000-000)
Description:	Registration & Training
Current Budget:	$30.000.00
Approved Requests:	$17.519.18
Budget Available:	$12,480.82
Current Requests:	$4.311.01
Budget Balance:	$8.169.81

Donald L. Mims, Administrator

Reviewed by: S. Thomas

Date: 4/29/2015

cc: Finance Director / Buyer

7-8

Montgomery County Commission
Travel / Training Request Approval

Appendix C

AGENDA
MAY - 4 2015

Request # 12

Date: April 28, 2015

To: Donald L. Mims, Administrator

From: Carmen Douglas, Director

Re: Travel / Training Request

Request approval to be granted for the following:

Destination: Biloxi, MS

Departure Date: June 9, 2015 Return Date: June 12, 2015

Conference Leave (Days / Hours): 4 Days

Purpose of Travel: to attend the EEOC Biloxi Seminar

Traveler (s) Name: 1. Carmen Douglas 4.
2. 5.
3. 6.

Check Mode of Transportation: County Vehicle [ ] Commercial Air [ ]
Private Vehicle [X] Other (Specify) [ ]

Total (est.) Cost: $1,560.78 Advance Registration Required: $698.00

Department Name: Personnel Fund Name: Merit System

Additional Comments: $262.78 - Mileage; $300.00 - Hotel; $300.00 - Meals; $698.00 - Registration

---

To: Carmen Douglas, Director

From: Donald L. Mims, Administrator

The above request is app. 05/04/15 reimbursement of actual and necessary expenses in the approximate amount of $1,560.78 and advance registration of $698.00 is authorized.

To be completed by the Finance Department

Fund Code:	123-51961-265 (ex: 000-00000-000)
Description:	Registration & Training
Current Budget:	$20,000.00
Approved Requests:	$2,844.80
Budget Available:	$17,155.20
Current Requests:	$1,560.78
Budget Balance:	$15,594.42

Donald L. Mims, Administrator

Reviewed by: S. Thomas

Date: 4/29/2015

cc: Finance Director / Buyer

7-9

AGENDA

MAY - 4 2015

BUDGET FORM 5

MONTGOMERY COUNTY COMMISSION

BUDGET CHANGE REQUEST

REQUEST NUMBER 6

DEPARTMENT: JUDGE OF PROBATE REVIEWED: S. Thomas 4/21/2015

Finance Director Date

REQUESTED BY: JUDGE STEVEN L. REED APPROVED:

Elected Official/Dept. Head Date Administrator Date

ACCOUNT NAME	ACCOUNT NUMBER	CURRENT BUDGET	INCREASE (DECREASE)	REVISED BUDGET
TRAVEL - REGISTRATION & TRAINING	001-51300.265	11,500	1,200	12,700
CONTRACT SERVICES	001-51300.304	7,945	1,200	9,145
ADMINISTRATION EXPENSE	001-51300.499	5,433	(2,400)	3,033
	TOTAL	24,878	0	24,878

JUSTIFICATION:

To increase the travel expense and contract services budget.

8-1

AGENDA

MAY - 4 2015

BUDGET FORM 5

MONTGOMERY COUNTY COMMISSION

BUDGET CHANGE REQUEST

REQUEST NUMBER 3

DEPARTMENT:	PERSONNEL	REVIEWED:	S. Thomas	4/22/2015
DATE:	4/20/2015	Finance Director		Date
REQUESTED BY:	Carmen Douglas	APPROVED:		
Elected Official/Dept. Head		Administrator		Date

ACCOUNT NAME	ACCOUNT NUMBER	CURRENT BUDGET	INCREASE (DECREASE)	REVISED BUDGET
Insurance-Public Officials Liab.	123-51961.275	19,000	2,100	21,100
Administration Expense	123-51961.499	5,000	(2,100)	2,900
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
	TOTAL	24,000	0	24,000

JUSTIFICATION:

To realign budget to cover increased cost of liability insurance premiums.

8.2

BEAR

BEAR BROTHERS, INC.

April 16, 2015

Seay, Seay & Litchfield Architects
1115 South Court Street
Montgomery, Al 36104

Attn: Jinghis Sunwoo

Re: Renovations to the Montgomery County Youth Facility

Jin,

Our current completion date on the above referenced project is May 5, 2015. For various reasons beyond our control we are requesting a twenty-one (21) day time extension to our contract. Some of the reasons for our request include the following:

1. Delays during Phase A and Phase 1 in the secure areas attributed to the work of the mechanical/electrical contractor under separate contract with the owner.

2. The Phase 2 administrative area became available to the owner's mechanical/electrical contractor and Bear Brothers at the same time. The work of Bear Brothers was delayed for several weeks while the M/E contractor removed the existing ductwork and installed new ductwork.

3. Delays in the completion of the elastomeric roof coating because of rain. The start of this work was delayed by rain. This work is currently stopped and more rain is expected next week.

We hope that you will consider favorable our request for a times extension. Please contact the undersigned if additional information is required.

Best Regards,

Clyde S. Bear

Clyde S. Bear
President

CSB:amc

GENERAL CONTRACTOR
P.O. BOX 2071, 39 EAST JEFFERSON ST., MONTGOMERY, AL 36102-2071, 834-2961, FAX 264-6647

9.2

Seay
Seay &
Litchfield, P. C. | Architects
Interior Designers | 1115 South
Court Street | Montgomery
Alabama 36104 | Jim H. Seay, Sr. - Founder
Jim H. Seay, Jr.
Frank E. Litchfield, III | Telephone: (334) 263-5162
Facsimile:(334) 263-5170
Email: seay@mont.mindspring.com

TRANSMITTAL

TO: Florence Cauthen
County Commission

DATE: 28 April 2015
PROJECT NUMBER: SSL #12030 BC# 2013072
PROJECT NAME: Montgomery County Youth Facility Renovations

FAX NUMBER:

FAX SENT BY:

WE ARE TRANSMITTING:
☒ ATTACHED
☐ UNDER SEPARATE COVER
FOR YOUR:
☐ FOR REVIEW/COMMENT
☒ FOR APPROVAL: RESPONSE NEEDED BY
☒ FOR YOUR INFORMATION AND USE
☐ APPROVED AS SUBMITTED
☐ APPROVED AS NOTED

VIA:
☐ MAIL
☒ HANDCARRY
☐ COURIER: NO.
☐ SERVICE DELIVERY: NO.
☐ AIR EXPRESS: NO.
☐ FAX: NO. OF PAGES INCLUDING TRANSMITTAL
☐ OTHER

COPIES:	DATE:	DESCRIPTION:
7	20 April 2015	Change Order No. 1 (Add 21 days to Construction Contract)
1	-	Before and After photos of Montgomery County Youth Facility Renovation
1 Thumb Drive	-	Thumb Drive with Before and After photos of MCYF Renovation

Florence,

Please see attached seven (7) Change Order No. 1 forms with back up documents for the Montgomery County Youth Facility. Please sign the attached Change Order forms and return all copies to SS&L and we will deliver to Alabama Building Commission for further processing.

Thank you,

Jin Sunwoo, Associate AIA
Seay Seay & Litchfield, P.C.
Architecture | Interiors | Planning | Graphics
1115 S. Court Street, Montgomery, AL 36104
p| 334.263.5162
f | 334.263.5170
sslarch.com

COPY TO: file

BY: Jin Sunwoo

IF TRANSMITTED MATERIAL IS NOT RECEIVED AS LISTED ABOVE,
PLEASE NOTIFY THIS OFFICE AT YOUR EARLIEST CONVENIENCE

9-3

ABC Form B-11
August 2001

TO: **STATE OF ALABAMA**
BUILDING COMMISSION
770 Washington Avenue, Suite 444
Montgomery, Alabama 36130
(334) 242-4082 FAX (334) 242-4182

CHANGE ORDER JUSTIFICATION

Change Order No. 1
Date: 20 April, 2015

PURPOSE AND INSTRUCTIONS ON REVERSE SIDE **PSCA No.** 7B45 **B.C. No.** 2013072

(A)

PROJECT:	OWNER:
Renovation to the Montgomery County Youth Facility 1111 Air Base Boulevard Montgomery, AL 36108	The Montgomery County Commission / Alabama Department of Youth Services/ Alabama Public School and College Authority 100 Lawrence Street Montgomery, AL 36104
CONTRACTOR: Bear Brothers, Inc. P.O. Box 2071 (36102) 30 E. Jefferson Street Montgomery, Alabama 36104	ARCHITECT/ENGINEER: Seay, Seay & Litchfield, P.C. 1115 South Court Street Montgomery, AL 36104

(B) DESCRIPTION OF PROPOSED CHANGE(S): **ATTACH CONTRACTOR'S DETAILED COST PROPOSAL(s)**

1.) Add 21 Calendar Days (see attached letter)– $ 0.00

AMOUNT: ☐ ADD ☐ DEDUCT $ 0.00 TIME EXTENSION: 21 CALENDAR DAYS

(C)

ORIGINAL. CONTRACT	PREVIOUS C.O.'s 0 THRU 0	CURRENT CONTRACT
$ 3,478,900.00	$ 0.00	$ 3,478,900.00

(D) JUSTIFICATION FOR NEED OF CHANGE(S):

1.) Twenty one additional calendar days added due to following reasons (refer to the attached letter)
- Delays during Phase A and Phase 1 in the secure areas.
- The work of Bear Brothers was delayed for several weeks while the M/E contractor removed the existing ductwork and installed new ductwork.
- Delays in the completion of the elastomeric roof coating because of rain.

(E) JUSTIFICATION OF CHANGE ORDER vs. COMPETITIVE BID:

Changes for matters relatively minor and incidental to the original contract necessitated by unforeseeable circumstances arising during the course of the work.

(F) ARCHITECT/ENGINEER'S EVALUATION OF PROPOSED COST:

There is no cost change.

(G)

CHANGE ORDER RECOMMENDED	CHANGE ORDER JUSTIFIED AND APPROVED
Seay, Seay, & Litchfield, P.C. NAME OF ARCHITECTURAL/ENGINEERING FIRM	Owner
By: ______ ARCHITECT/ENGINEER	By: ______ Montgomery County Commission
By: ______ OWNER'S PROJECT REPRESENTATIVE	By: ______ Alabama Department of Youth Services

Page 1 of 1

7-4

ABC Form C-12 (State)
July 2006

CONTRACT CHANGE ORDER

Change Order No. 1 **Date** 20 April, 2015 **PSCA No.** 7B45 **B.C.No.** 2013072

TO: (*Contractor*)	PROJECT:
Bear Brothers, Inc. P.O. Box 2071 (36102) 30 E. Jefferson Street Montgomery, Alabama 36104	**Renovation to the Montgomery County Youth Facility** 1111 Air Base Boulevard Montgomery, AL 36108

TERMS: You are hereby authorized, subject to the provisions of your Contract for this project, to make the following changes thereto in accordance with your proposal(s) dated

Item #	Contractor's COR #	Description	Contractor's Request Date	Amount Approved
1.0	-	Add 21 Calendar Days	April 16, 2015	$ 0.00
		TOTAL		$ 0.00

FURNISH the necessary labor, materials, and equipment as detailed in the attached list of changes.

ORIGINAL CONTRACT SUM	$	3,478,900.00
NET TOTAL OF PREVIOUS CHANGE ORDERS	$	0.00
PREVIOUS REVISED CONTRACT SUM	$	3,478,900.00

THIS CHANGE ORDER WILL ☐ **INCREASE** ☐ **DECREASE**

THE CONTRACT SUM BY	$	0.00
REVISED CONTRACT SUM, INCLUDING THIS CHANGE ORDER	$	3,478,900.00

EXTENSION OF TIME resulting from this Change Order 21 Days.

The Owner does hereby certify that this Change Order was executed in accordance with the provisions of Title 39, Code of Alabama, 1975, as amended.

CONSENT OF SURETY

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
(Company)

By [signature]
(Attach current Power of Attorney)
Walter C. Dowdy
Attorney in Fact

RECOMMENDED

By [signature]
Seay, Seay, & Litchfield P.C.

CONTRACTING PARTIES

Bear Brothers, Inc. (Contractor)

By [signature]
Name & Title Clyde Bear, President

Montgomery County Commission (Awarding Authority)

By
Name & Title Elton Dean, Chairman

Department of Youth Services

By
Name & Title Steven Lafreniere, Executive Director

Alabama Public School & College Authority

By
Governor and President of Authority

Attest
Secretary of Authority

APPROVALS
STATE OF ALABAMA BUILDING COMMISSION
(Not required for locally-funded SDE projects)

By
Director, Technical Staff

By
Contract Administrator

15

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

TRAVELERS

POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 225682

Certificate No. 006115519

KNOW ALL MEN BY THESE PRESENTS: That Farmington Casualty Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company are corporations duly organized under the laws of the State of Connecticut, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Bolling P. Starke III, J. Kyle Drumwright, Judy W. Payne, Walter C. Dowdy, and Angela J. Penn

of the City of Montgomery, State of Alabama, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 3rd day of October, 2014.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

1982 1977 INCORPORATED 1951 SEAL SEAL HARTFORD, CONN. HARTFORD, CONN. INCORPORATED 1896

State of Connecticut
City of Hartford ss.

By: Robert L. Raney, Senior Vice President

On this the 3rd day of October, 2014, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2016.

MARIE C. TETREAULT NOTARY PUBLIC CONNECTICUT

Marie C. Tetreault

Marie C. Tetreault, Notary Public

58440-8-12 Printed in U.S.A.

1-6

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

PFM
The PFM Group
Financial & Investment Advisors

116 Jefferson Street South
Suite 301
Huntsville, AL 35801

256 536-3035
256 533-2501 Fax
www.pfm.com

April 29, 2015

Chairman Elton N. Dean, Sr.
Montgomery County Commission
101 S. Lawrence Street
Montgomery, AL 36102-1667

RE: Refunding of Series 2007 General Obligation Warrants

Dear Commissioner Dean;

PFM is pleased to provide this letter of proposal to provide financial advisory services, primarily as pricing advisor, to Montgomery County.

PROPOSED SCOPE OF SERVICES AND FEES

In anticipation of Montgomery County's upcoming bond issuance in the approximate amount of $25,000,000 for the refunding of certain debt issued previously, Montgomery County desires financial advisory services, particularly assistance in pricing negotiations with the underwriting team.

To provide Pricing Advisor Services as outlined below, PFM proposes a fee of $17,500 inclusive of expenses.

PFM's proposed approach for pricing negotiated bond sales is summarized below.

1. ***Review and independently verify refunding projections provided by the Underwriter***

2. ***Analyze Market Timing*** - Review Economic Calendar, Upcoming Bond Sales, Visible Supply, among other market resources to help develop, in conjunction with the County and the underwriting team, the optimal timing of sale

3. ***Evaluate Issue(r) Credit and Assess Investor Perception*** – Analyze prior Credit Rating Reports and other related information

4. ***Develop a Target Pricing Analysis*** – Provide a Pre-Pricing Booklet that includes the Financial Advisor's Pricing Scale for review with the County. PFM's Pre-pricing booklet will include, and our Target Pricing Scale is informed by: a) Historical Pricing Analysis; b) Comparable Transactions Pricing Performance Analysis; c) Review of MSRB Trade Data; and, d) Review of Market Indices and Trends—MMD Scales, Consensus, Bond Buyer Indices; and, e) the daily market presence and experience of PFM's dedicated Pricing Group

5. ***Negotiate Underwriter Spreads, if requested*** – Establish optimal takedown levels and provide recommendations for liability and designation rules, if appropriate and requested by the County

6. ***Review underwriter's pricing views***

7. ***Proactively Participate in Pre-pricing Negotiations***

10-2

PFM

8. ***Provide Analysis and Advice Regarding Structure*** – Review coupons, yields, recommended call features and maturity structure

9. ***Monitor Montgomery County's Bond Order Period (day of pricing)*** – a) Review comparable transactions pricing at same time

10. ***Participate in Final Pricing Negotiations*** – Including review of orders and allotments

11. ***Recommend Acceptance/Rejection of Underwriting Team's Offer***

12. ***Provide Secondary Trade Data***

13. ***Provide Additional Assistance as required within the scope of this engagement***

14. ***Assist in Reviewing Closing Documentation, as needed***

15. ***PFM Team*** – Phil Dotts, Managing Director, and Joshua McCoy, Senior Managing Consultant, will serve as engagement managers and day-to-day contacts for the County. In addition, PFM's Pricing Group will join the core team during the pricing process.

If PFM is hired to provide Pricing Advisory Services, we would suggest a brief paragraph be added to the Official Statement such as the following, subject to approval from your legal counsel:

> "**FINANCIAL ADVISOR** Public Financial Management, Inc. has served as financial advisor, specifically to provide pricing advisory services to Montgomery County with respect to the sale of the Bonds."

We believe that our independent advisory services will benefit Montgomery County and appreciate this opportunity to work with you on this transaction.

Sincerely,
Public Financial Management

Philip C. Dotts
Managing Director

Public Financial Management, Inc. ("PFM") is authorized to provide the services outlined above under the fee arrangements stated.

By: ______________________________ Date: ____________________
For: Montgomery County

10-3

Montgomery County, AL

Presentation for Financial Advisory Services

April 20, 2015

The PFM Group
Financial & Investment Advisors

116 Jefferson Street South, Suite 301
Huntsville, AL 35801
(p) 256-536-3035
www.pfm.com

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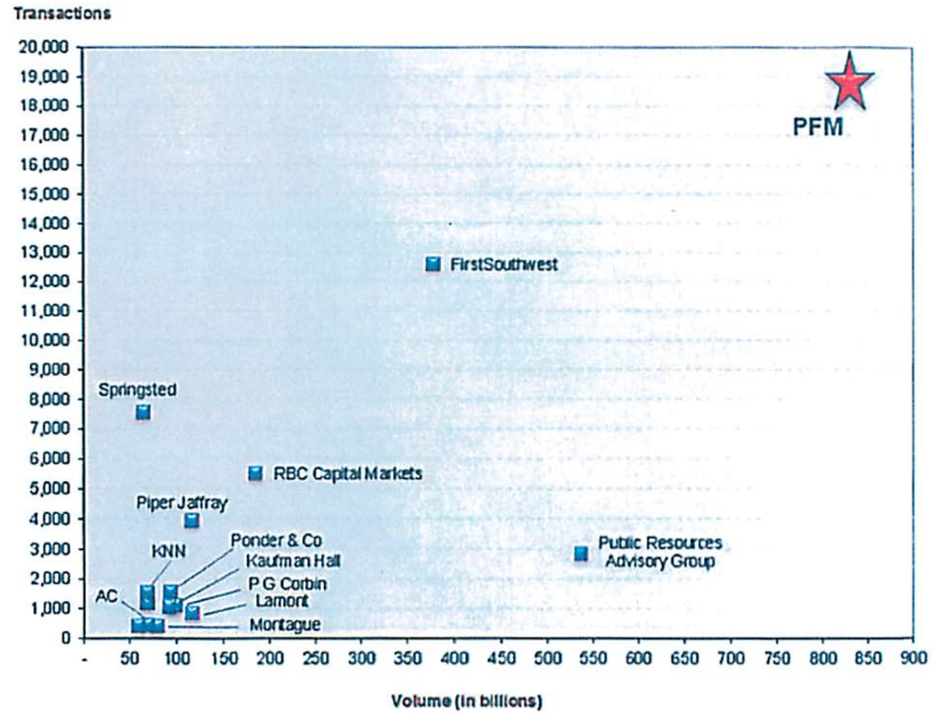
PFM is the Leading Financial Advisor in the Market

PFM has been the nation's leading financial advisor for the past 17 consecutive years

2014 Full Year Overall Long Term Municipal New Issues
National Municipal Financial Advisory Ranking - Equal to Each Financial Advisor
Source: Thomson Reuters

	# transactions	dollars in millions
PFM	**783**	**48,570.2**
Public Resources Advisory Group	139	27,863.7
FirstSouthwest	703	26,744.1
Estrada Hinojosa & Company Inc	69	8,748.6
Acacia Financial Group Inc	122	6,470.4
KNN Public Finance	49	6,325.4
A C Advisory Inc	55	5,773.0
Piper Jaffray & Co	167	5,105.2
Lamont Financial Services Corp	38	4,167.7
RBC Capital Markets	196	3,942.2

1986 - 2014 Financial Advisory Volume / Experience Matrix
National Financial Advisory Rankings
Source: Thomson Reuters



PFM is the only full service consulting firm providing advisory services solely to municipal and governmental entities.

10-5

Full Service Advisor with Broad Array of Service and Expertise

$48.570 billion of bond transactions in 2014			$49 billion assets under management	
Public Financial Management Inc.			**PFM Asset Management LLC**	
Financial Advisory Services	**Management and Budget Consulting**	**Public Private Partnerships**	**Investment Advisory Services**	**Structured Products Advisory Services**
• New issuance and refunding/restructuring analysis	• Multi-year strategic financial and management plans	• Feasibility and alternatives analysis	• Investment management	• Investment of bond and non-bond proceeds
• Pricing analysis/benchmarking	• Operational review and analysis	• P3 process design and implementation	• Fixed-income portfolio structuring/management	• Escrow structuring and optimization
• Valuation of call options	• Budget development and performance benchmarking	• Valuation and sensitivity analysis	• Investment policy development	• Derivative products analysis/execution
• Debt portfolio management	• Revenue enhancement	• Sell side and buy side advisory services	• Cash flow forecasting	• Derivative policy development
• Capital budgeting	• Capital planning	• Bidder recruitment and qualifications	• Arbitrage rebate compliance	• Structured investment contracts
• Debt policy development	• Workforce consulting/ Interest arbitration	• Stakeholder communication strategies	• Accounting/record-keeping services	• Competitive bidding services
• Transaction management				• Swap Viewer
				• GASB 53 Compliance
Registered Municipal Advisors			**Registered Investment Advisors**	

10-6

PFM: National Firm with Local Expertise

PFM has assisted numerous communities across the state of Alabama in crafting debt and capital management solutions tailored to their individual needs. A representative sample of past and current Alabama clients include:

- State of Alabama
  - Alabama Public School and College Authority
- City of Opelika
  - Opelika City Schools
- Mobile County
- Huntsville/Madison County Airport
- City of Mobile
- City of Huntsville
  - Huntsville City Schools
- Huntsville Utilities
- Waterworks & Sewer Board of the City of Montevallo
- Utilities Board of the City of Cullman
- Huntsville Solid Waste Disposal Authority
- City of Auburn
  - Auburn City Schools

Sample of Services Provided

- Multi-Year Financial Management Plans
- Debt Management
- Budgeting
- Swap advisory
- Investment advisory
- Pension advisory
- Policy Development
- Operational Enhancement Analysis
- Arbitrage Rebate Services

10-7

Why Use a Financial Advisor

Dodd-Frank

Rule G-23 of Dodd-Frank provides issuers with the opportunity to protect itself in the following forms:

- Good practice would lead an issuer to engage with a Financial Advisor that is separate from its Underwriter
- Issuer gives up valuable protection in relying on the Underwriter to provide financial advice, who then in turn asks an issuer to sign a BPA that states the contrary
- PFM has registered with the SEC as a "municipal advisor" and confirms its fiduciary duty to its clients
- Issuers can maintain a relationship with its historical Underwriter to purchase its bonds while engaging PFM as its "municipal advisor" or financial advisor

GFOA Best Practice

In considering the roles of the financial advisor and underwriter, it is the intent of this Recommended Practice to set a higher standard than is required under MSRB Rule G-23, because disclosure and consent are not sufficient to cure the inherent conflict of interest.

- State and local governments employ financial advisors to assist in the structuring and issuance of bonds whether through a competitive or a negotiated sale process:
- Unless the issuer has sufficient in-house expertise and access to market information, it should hire an outside financial advisor prior to undertaking a debt financing.
- A financial advisor represents the issuer, and only the issuer, in the sale of bonds

According to the Municipal Securities Rulemaking Board

"A Financial Advisor would normally seek to achieve the lowest possible interest cost for the issuer, while an Underwriter, acting as principal for its own account, would normally want to establish yields which make securities attractive for resale to others."

10-8

AGENDA

MAY - 4 2015

BUDGET FORM 5

MONTGOMERY COUNTY COMMISSION

BUDGET CHANGE REQUEST

REQUEST NUMBER 29

DEPARTMENT:	County Comm Appropriati	REVIEWED:	S. Thomas	5/4/2015
DATE:	5/4/2015	Finance Director		Date
REQUESTED BY:	Donald L. Mims	APPROVED:		
Elected Official/Dept. Head		Administrator		Date

ACCOUNT NAME	ACCOUNT NUMBER	CURRENT BUDGET	INCREASE (DECREASE)	REVISED BUDGET
* Montgomery Board of Education-Sidney Lanier High School	001-58100.498	0	500	500
Montgomery Board of Education-Brewbaker Tech. Magnet High School	001-58100.498	0	1,200	1,200
Donation Revenue	001-40000.47701	(60,000)	(1,700)	(61,700)
	TOTAL	(60,000)	0	(60,000)

JUSTIFICATION:
To budget an appropriation to the Montgomery County Board of Education for assistance with volleyball camp fees for Sidney Lanier High School players ($500) and the cost for three Brewbaker Technology Magnet High School students to attend the 2015 National Health Occupations Students of America conference in California ($1,200).

11-1

AGENDA

MAY - 4 2015

BUDGET FORM 5

MONTGOMERY COUNTY COMMISSION

BUDGET CHANGE REQUEST

REQUEST NUMBER 29

DEPARTMENT:	County Comm Appropriati	REVIEWED:	S. Thomas	5/4/2015
DATE:	5/4/2015	Finance Director		Date
REQUESTED BY:	Donald L. Mims	APPROVED:		
Elected Official/Dept. Head		Administrator		Date

ACCOUNT NAME	ACCOUNT NUMBER	CURRENT BUDGET	INCREASE (DECREASE)	REVISED BUDGET
Montgomery Board of Education-Sidney Lanier High School	001-58100.498	0	500	500
* Montgomery Board of Education-Brewbaker Tech. Magnet High School	001-58100.498	0	1,200	1,200
Donation Revenue	001-40000.47701	(60,000)	(1,700)	(61,700)
	TOTAL	(60,000)	0	(60,000)

JUSTIFICATION:
To budget an appropriation to the Montgomery County Board of Education for assistance with volleyball camp fees for Sidney Lanier High School players ($500) and the cost for three Brewbaker Technology Magnet High School students to attend the 2015 National Health Occupations Students of America conference in California ($1,200).

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ATTACHMENT E:

A Checklist for Conducting Lawful EXECUTIVE SESSIONS

	For Reference, See	
❑ 1. Convene An Open Meeting	Page 21	Section IV (A) 1
❑ 2. Enter a motion stating the reason for the Executive Session.	Page 21	Section IV (A) 2
Executive Sessions may only be called for one of the following reasons:		
a. General Reputation and Character, Job Performance, or Salaries / Compensation	Page 21	Section IV (B) 1
b. Formal Complaints or Charges Against an Individual or Legal Entity	Page 23	Section IV (B) 2
c. Discussion with the Government Body's Attorney	Page 23	Section IV (B) 3
d. Security Plans and Measures	Page 24	Section IV (B) 4
e. Criminal Investigation and the Identity of an Undercover Agent or Informer	Page 25	Section IV (B) 5
f. Negotiations to Buy / Sell / Lease Real Property	Page 25	Section IV (B) 6
g. Preliminary Negotiations in Trade Competition	Page 26	Section IV (B) 7
h. Negotiations Between The Body and a Group of Public Employees	Page 27	Section IV (B) 8
i. Discuss and Vote Upon a Public or Contested Case Hearing	Page 27	Section IV (B) 9
❑ 3. Receive a Written or Oral Declaration (if necessary). a. Written Declarations are required for these Executive Sessions: I. Discussion with the body's attorney concerning options for, and ramification of, litigation, mediation, or arbitration. II. Discussions that would disclose the identity of an undercover informant or that focus on criminal investigations of non-public officials. III. Discussions concerning the negotiations between the body and a group of public employees. b. It is required that a designated person certify that the Executive Session is warranted for these specific reasons before the body votes to go into Executive Session.	Page 20	Section IV (A) 4
❑ 4. Vote to go into Executive Session a) The vote must be open/public; and b) Each member must openly give his/her individual vote.	Page 20	Section IV (A) 4
❑ 5. Enter a Statement Concerning Reconvention	Page 21	Section IV (A) 5

M O N T G O M E R Y
A R E A C H A M B E R O F C O M M E R C E

AGENDA

MAY - 4 2015

April 21, 2015

Members of the Montgomery County Commission
101 S. Lawrence Street
Montgomery, AL 36104

Re: Opinion on Applicability of Executive Session

Dear Montgomery County Commission Members:

I am requesting to appear before the Montgomery County Commission on Monday, May 4, 2015, in executive session. Please be advised that I have reviewed the commerce or trade matter which the Montgomery County Commission proposes to discuss in executive session. It is my opinion that an executive session is authorized for this discussion under Section 7(a)(7) of Act No. 2005-40, and an open meeting will have a detrimental effect upon the competitive position of the Montgomery County Commission.

Pursuant to Section 7(a)(7) of Act No. 2005-40, a copy of this letter should be attached to the minutes of the County Commission meeting wherein the body considers a motion to convene an executive session to discuss this matter.

Sincerely,

Justice Smyth

Justice Smyth
Director
Corporate Development

BUILDING BUSINESS BUILDING MONTGOMERY AND THE RIVER REGION

13-1

POST OFFICE BOX 79 41 COMMERCE STREET MONTGOMERY, AL 36101
TEL: 334.834.5200 FAX: 334.265.4745 MACC@MONTGOMERYCHAMBER.COM WWW.MONTGOMERYCHAMBER.COM

AGENDA

MAY - 4 2015

EVALUATION OF COMPREHENSIVE NEEDS IN THE LAGOS DEL SOL SUBDIVISION

April 30, 2015

By request of the Montgomery County Commission, and with the assistance of the County Engineering Department, CARPDC conducted an evaluation of comprehensive needs in the Lagos Del Sol subdivision as particularly relevant to pursuing Community Development Block Grant (CDBG) assistance. The CDBG County Competitive Fund has a maximum grant ceiling of $350,000 with a 10% match commitment which equates to $35,000. Total project cost for FY 2015 would therefore be a minimum of $385,000 if the County chose to seek the full grant amount allowed.

Upon review of the Lagos Del Sol subdivision, the following information has been collected for consideration based on a drive by cursory inspection conducted by CARPDC's housing inspector. This inspection examined the exterior shell of the structures for window and door, roof coating, exterior trim and structural discrepancies. These criteria were used in conjunction with knowledge of market replacement prices to form a reasonable and cautious opinion as to the homes' suitability for housing rehabilitation.

The subdivision consists of **113 lots** with **2 containing slab foundations only**, leaving a **total of 111 houses**. It should be noted that according to data collected from the Montgomery County Tax Assessors Office, **43% of the parcels are owner properties, 54% are rental properties, and 3% are properties owned by the State** (see attached map of Existing Ownership Conditions). Of all structures, **86 are currently occupied**, **8 are vacant**, and **17 are dilapidated** and in need of demolition. Further review estimates that of the **86 occupied**, **7 are not suitable for rehabilitation** according to ADECA's Policy Letter No. 13, Revision 1, which is their Policy on Housing Standards and Conditions. In addition, **of the 8 vacant**, **only 1 is suitable for rehab**. Therefore, this subdivision is estimated to contain **79 occupied dwelling units that would be considered suitable for rehabilitation**. A housing conditions map of the subdivision is attached to this report.

Based on **17-24 structures that would require demolition** (17 + 7 vacant that are not considered suitable for rehab), **costs can be estimated from $85,000-$120,000**. The cost for demolition of one structure is currently around $5,000. Given the $385,000 budget and approximately $32,000 for grant administration, that would leave **$233,000 for housing improvements** which is also inclusive of service delivery costs such as inspection, work write-ups and bidding and lead testing services which will be required for any house built before 1978. Based on this amount of available construction/rehabilitation funds, only **11-12 homes could be rehabilitated** through a first time project combining demolition and housing rehabilitation. It should also be noted that **this number of units would only bring in approximately $21,600 of the required $35,000 grant match**. This dollar amount uses $18,000 as the individual homeowner grant ceiling and a 10% match commitment from the owners of $1,800 each. The $18,000 grant ceiling is a very conservative estimate based on the drive by cursory inspection performed. In order to potentially repair the **remaining 67 units suitable for**

rehab, an additional **$1,340,000 would be required**, not including any administrative costs associated with possible grants.

Also attached to this report is a preliminary cost estimate provided by George Speake which addresses **additional needs in the subdivision** consisting of new sidewalks, resurfacing of streets, and replacement of storm inlets. Based on Mr. Speake's estimate, these improvements **total $425,000**. A copy of the cost estimate is attached herewith.

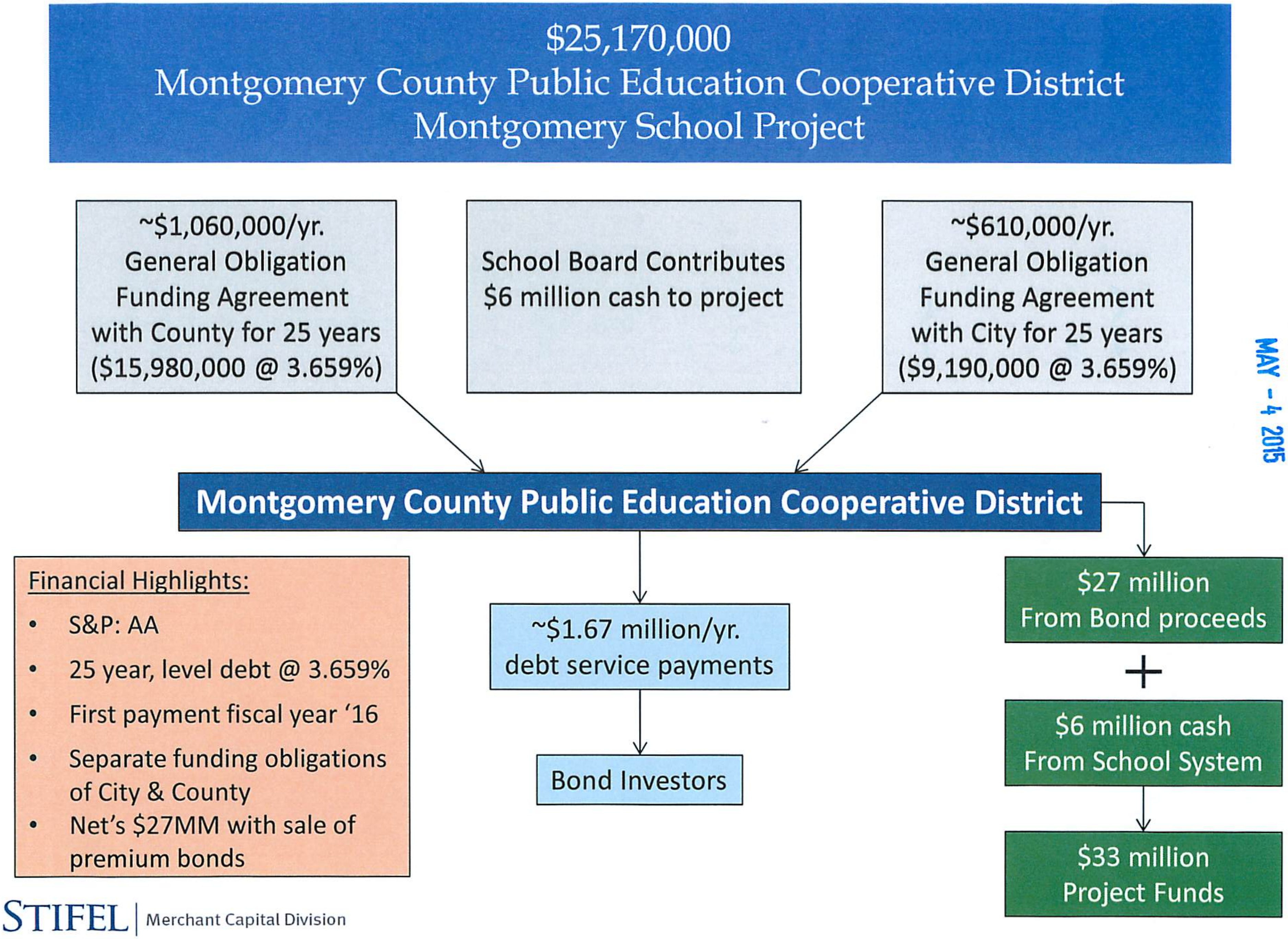
In summary, to address needs in the Lagos Del Sol subdivision, **a minimum of $2.1 million would be needed**. An overall analysis and breakdown by activity follows:

Demolition	**$120,000**
Housing Rehab	**$1,573,000**
Sidewalks	**$172,000**
Street Resurfacing	**$150,000**
Storm Inlet Replacement	**$103,000**
ESTIMATED MINIMUM COSTS ASSOCIATED WITH IMPROVEMENTS	**$2,118,000**

Finally, if the County desires to seek CDBG funding to assist with the identified needs, it can be estimated to take at least **5-6 grant cycles**, which at a minimum would be **10-12 years** if the grants were funded consecutively, which is highly unlikely.

AGENDA

MAY - 4 2015



15-1

Montgomery County Public Education Cooperative District / Series 2015 Bonds / Price Comps

ISSUE NAME	Al. Public Health Care Authority	Birmingham-Jefferson Civic Center	Birmingham Water Works	AL. Pub Sch & College Auth.	Madison County, Al.	Montgomery Cnty Pub Ed Coop Dist
	Rev	Rev	Rev	Rev	G.O.	Rev
SALE DATE	3/3	2/25	3/30	4/16	4/16	4/22
SIZE (mill)	55.855	37.210	75.760	46.775	12.255	25.170
RATINGS	Aa2 AA-	AA- AA-	Aa2 AA	Aa1 AA AA+	Aa2 AA+	AA
ENHANCEMT.						
TAX STATUS	Tax Exempt	Tax Exempt	Tax Exempt	Tax Exempt	Tax Exempt	Tax Exempt
MANAGER	Frazer Lanier	Bank of America ML	Raymond James	Raymond James	Joe Jolly	Stifel
DATED / DUE	3/12/15 9/1	3/11/15 7/1	4/14/15 1/1	5/5/15 6/1	5/1/15 12/1	5/6/15 4/1
FIRST COUP.	9/1/15	7/1/15	7/1/15	12/1/15	12/1/15	10/1/15
CALL	3/1/25 @ PAR	7/1/25 @ PAR	1/1/25 @ PAR	12/1/24 @ PAR	12/1/24 @ PAR	4/1/25 @ PAR
COMMENTS:				* *Equivalent of State of Al. G.O. credit* * *Moody's/Fitch ratings one notch below AAA* * *One of largest issuers in State & highly traded name*	* *Madison Cnty. "G.O." credit.* * *S&P rating one notch below AAA.*	* *"Coop. District" does not price as well as an established municipal name.* * *Only has S&P rating. If rated by Moody's the rating would have been A1.*

PRICING:	Al. Public Health Care Authority Amount (Mill.)	Coupon Rates	Offer YIELD	MMD Spread	Birmingham-Jefferson Civic Center Amount (Mill.)	Coupon Rates	Offer YIELD	MMD Spread	Birmingham Water Works Amount (Mill.)	Coupon Rates	Offer YIELD	MMD Spread
2015												
2016	0.690	2.000	0.500	36					0.660	3.000	0.360	17
2017	0.705	3.000	0.850	39					0.685	3.000	0.700	21
2018	0.725	4.000	1.240	41	1.465	5.000	1.330	57	0.300	3.000	1.070	25
2019	0.750	4.000	1.500	47	2.325	5.000	1.550	60	0.285	3.000	1.380	31
2020	0.780	4.000	1.730	50	2.415	3.000	1.780	62	0.735	3.000	1.610	37
2021	0.810	4.000	1.950	54	2.515	5.000	2.000	64	0.830	4.000	1.800	40
2022	0.840	5.000	2.200	56	2.615	2.000	2.170	56	0.860	5.000	2.040	44
2023	0.885	5.000	2.360	56	2.730	2.125	2.360	57	0.910	5.000	2.210	48
2024	0.930	5.000	2.510	57	2.855	3.000	2.630	68	0.955	5.000	2.370	51
2025	0.975	5.000	2.640	59	2.985	5.000	2.790	72	0.985	5.000	2.520	56
2026	1.025	5.000	2.750	59	3.130	3.000	3.010	82	1.040	5.000	2.670	61
2027	1.080	5.000	2.880	60	3.290	3.000	3.220	91	0.995	3.000	3.090	91
2028	1.135	5.000	3.000	61	3.455	3.250	3.370	97	1.035	3.000	3.210	91
2029	1.190	5.000	3.060	60	3.625	3.250	3.420	95	1.080	3.125	3.330	95
2030	1.250	5.000	3.130	61	3.805	3.375	3.520	100	1.950	3.250	3.430	98
2031	1.315	3.250	3.450	88					1.965	5.000	3.210	70
2032	1.355	5.000	3.250	63					2.205	5.000	3.260	70
2033	1.420	5.000	3.310	65					2.410	5.000	3.290	69
2034									2.935	5.000	3.320	68
2035	3.025	3.500	3.750	101					2.930	5.000	3.350	68
2036												
2037												
2038												
2039	13.790	3.750	4.000	116								
2040	3.775	5.000	3.620	77					5.500/13.205	3.75/5.0	3.93/3.43	118/68
2041												
2042												
2043												
2044	17.085	5.000	3.700	81								
2045									31.305	5.000	3.480	68

PRICING:	AL. Pub Sch & College Auth. Amount (Mill.)	Coupon Rates	Offer YIELD	MMD Spread	Madison County, Al. Amount (Mill.)	Coupon Rates	Offer YIELD	MMD Spread	Montgomery Cnty Pub Ed Coop Dist Amount (Mill.)	Coupon Rates	Offer YIELD	MMD Spread
2015												
2016	1.325	3.000	0.370	18					0.700	2.000	0.640	40
2017	1.525	5.000	0.750	24					0.615	2.000	0.980	42
2018	1.600	5.000	1.090	27					0.630	3.000	1.320	45
2019	1.680	5.000	1.350	30					0.645	3.000	1.550	47
2020	1.765	5.000	1.550	33					0.665	4.000	1.720	50
2021	1.850	5.000	1.750	38					0.695	5.000	1.890	51
2022	1.945	5.000	1.960	40					0.725	5.000	2.110	54
2023	2.040	5.000	2.140	44	0.690	2.000	2.160	46	0.765	5.000	2.270	55
2024	2.145	5.000	2.270	43					0.800	5.000	2.460	58
2025	2.250	5.000	2.390	45	1.455	5.000	2.430	49	0.840	5.000	2.600	60
2026	2.365	5.000	2.520	46					0.880	5.000	2.750	63
2027	2.480	5.000	2.660	48	1.580	3.000	3.125	94.5				
2028	2.605	3.000	3.160	86	0.825	3.000	3.220	92	1.885	3.000	3.220	90
2029	2.685	3.125	3.230	85	0.850	3.000	3.300	92				
2030	2.765	3.125	3.300	85					2.015	5.000	3.100	63
2031	2.850	5.000	2.980	47								
2032												
2033									3.420	5.000	3.260	63
2034												
2035	12.900	5.000	3.140	47					2.550	3.500	3.750	105
2036					6.855	3.500	3.730	103				
2037												
2038												
2039												
2040									3.000/4.340	3.625/5.0	3.87/3.51	106/70
2041												
2042												
2043												
2044												
2045												

General Notes:

(1) MMD denotes "Municipal Market Data" benchmark municipal interest rates that are published daily. The "MMD Spread" indicates the offering yield spread to the benchmark AAA rate on the date of sale.

(2) In comparing Offering Yields and MMD Spreads between different issues, it is important to compare similar Coupons in similar maturities (i.e. compare discount bonds to discount bonds, premium bonds to premium bonds, par bonds to par bonds).

(3) The color coded MMD spreads, are highlighting similar coupons in similar maturities between the different issues - comparing 5% premium bonds to 5% premium bonds, and lower coupon discount bonds to discount bonds.

(4) For bonds that are non-callable, typically those maturities of 10 years and less, it is OK to compare discount, premium and/or par bonds to each other.

(5) While it is VERY DIFFICULT to compare pricings between different municipal issues because of a wide range of variables, using MMD Spreads as a measure attempts to account for general market interest rate movements.

(6) Beyond market interest rates, other factors that effect pricing of municipal issues include: credit considerations, market tone/sentiment, popularity of issue name and trading volume, supply of new issues & investor demand, tax rates and wealth levels in state of issue, etc.

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AGENDA

MAY - 4 2015

COUNTY GOVERNMENT BOND FINANCING REVIEW FORM

	Yes	No	N/A
1. The County Commission has considered whether it can satisfy its financial obligations for the life of the bonds.	X		
2. In the case of limited obligation indebtedness, the County Commission has identified the source for the debt service payments for the life of the bonds.			X
3. In the case of general obligation indebtedness, the County Commission has indicated that the full faith and credit of the County has been pledged for the debt service payments for the life of the bonds.	X		
4. The County Commission has considered the period of usefulness of the improvement or property for which the bonds are to be issued in light of the duration of the term of the bonds under the bond financing agreement.	X		
5. The County Commission acknowledges that bond proceeds shall not be used for general operating expenses of the County.	X		
6. The County Commission has received from the bond underwriter, bond counsel, issuer's counsel, trustee, and any others associated with the issuance of bonds an itemized listing of their respective fees and all other costs which shall not be subject to change prior to the sale or issuance of bonds.	X		
7. The County Commission has received from the bond underwriter a clear and understandable written proposal explaining all details of the proposed bond issue, its repayment schedule, and any external factors which could affect the total cost to the County if it issues the bonds.	X		
8. The County Commission has considered the effect, if any, that the bonds will have on the County's constitutional debt limit.	X		
9. The County Commission has received from the bond underwriter information demonstrating that the estimated interest rate on the bonds is reasonable and, that if information regarding similar recent issuances is available, the interest rates are comparable with other similar issuances based on current bond market conditions on the date of the execution of the bond financing agreement.	X		

State of Alabama Department of Examiners of Public Accounts
Adopted Pursuant to Act No. 2009-757
October 1, 2009

16-1

Complete the following section if the proceeds of the proposed bonds are to be used in whole or in part for the purpose of refinancing or refunding outstanding bonds:

10. The County Commission understands how the issuance of refunding bonds may extend the County's initial debt repayment period and the total cost paid by the County by the end of the refunding period. ___ ___ X

11. The County Commission has considered whether the refunding bonds will create net present value savings for the County, including the costs of refinancing. ___ ___ X

Complete the following section in connection with a swap agreement:

12. The County Commission has complied with paragraph a. of subdivision (2) of Section 41-1-42, *Code of Alabama 1975*. ___ ___ X

13. The County Commission has reviewed or had explained by the adviser selected all documentation provided pertaining to the swap agreement. ___ ___ X

14. The County Commission has designated an employee or official who will have primary responsibility for the consideration, execution, and monitoring of interest rate swaps and financial hedges entered into by the County. ___ ___ X

    Name of Employee/Official ________________________

15. The County Commission has determined whether the County's obligations under the swap agreement constitute a general obligation indebtedness of the County and whether the source of payment is sufficient. ___ ___ X

16. The County Commission has sought and received specific information disclosing the potential risks inherent in the swap agreement including those risks commonly referred to in the derivatives industry as "basis risk," "tax risk," "interest rate risk," "counterparty risk," "termination risk," "market-access risk," "rollover or anticipation risk," and "credit risk." ___ ___ X

16-2

I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that all above items have been considered by the County Commission, and that the County Commission has voted to enter into the bond financing agreement or swap agreement by an affirmative vote of a majority of the members of the County Commission.

Signature ______________________________

Printed Name Elton N. Dean, Sr.

Title Chairman, Montgomery County Commission

Date of Issuance of Bonds ~~or Swap Agreement~~ May 6, 2015

In preparing this form, the County Commission shall consult with and obtain advice from either an attorney for the County, the County Administrator, or, at the option of the County Commission, a certified public accountant (CPA) regarding any and all bond or swap proposals received by the County. The person or persons utilized by the County Commission for advice and consultation shall review all documents to be included at the execution of the bond financing agreement or swap agreement.

I, the adviser/consultant utilized by the County Commission, do hereby acknowledge that I have reviewed all documents to be included at the execution of the bond financing agreement or swap agreement.

Signature ______________________________

Printed Name ______________________________

Title ______________________________

Company Name ______________________________

A copy of this form shall be submitted to the State of Alabama, Department of Examiners of Public Accounts within 10 business days of the issuance of the bonds or swap agreement. This form shall be kept on file at the Office of Examiners of Public Accounts and shall be available for public inspection for a period of seven years.

Mailing Address: *State of Alabama Department of*
Examiners of Public Accounts
P. O. Box 302251
Montgomery, AL 36130-2251

16-3

Detailed Itemization of Costs and Fees

In accordance with Act Number 2009-757, Acts of Alabama, the following detailed itemization of costs and fees and acknowledgments shall be included with the bond financing agreement documents of any County Commission in the State of Alabama.

Costs and Fees which will be paid directly by the County Commission

Expense/Payee	Amount
N/A	N/A

Costs and Fees which will be paid directly from bond proceeds

Expense/Payee	Amount
Bond Counsel/Capell & Howard, P.C.	$45,000.00
Underwriter Counsel/Rushton Stakely	$38,350.00
Issuer Counsel/Gilpin Givhan, P.C.	$22,000.00
County Counsel/Haskell Slaughter & Gallion, LLC	$10,000.00
City Counsel/Davis & Hatcher	$12,500.00
Ratings/Standard & Poor's Rating Services	$21,000.00
DTC/CUSIP/Printing, ect.	$8,799.60
Paying Agent/Escrow Agent Fee/ Regions Bank	$3,500.00

16-4

Detailed Itemization of Costs and Fees (continued)

I, the chairman/president (or other Commission member designee) of the County Commission, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

Commission

Signature ________________________

Printed Name Elton N. Dean, Sr.

Title/County Chairman, Montgomery County Commission

Date of Issuance of Bonds May 6, 2015

I, the authorized signatory for the bond underwriter, do hereby acknowledge that the amounts of these costs and fees (listed on the previous page) have been presented and explained to all members of the County Commission prior to the sale of bonds.

Bond Underwriter:

Signature ________________________

Printed Name Mike Dunn

Title/Company Stifel, Nicolaus & Company, Incorporated

16-5

Swap Agreement – Statement from Authorized Signatory

In accordance with Act Number 2009-757, Acts of Alabama, the following acknowledgment from the authorized signatory for the bond underwriter or authorized signatory of the provider of the swap agreement shall be included with documentation necessary to effectuate a swap agreement with any County Commission in the State of Alabama.

In connection with the swap agreement being entered into by ________________________________ (County Commission) on ______________ (Date of Issuance), I/We do hereby acknowledge the following:

	Yes	No	N/A
1. I/We have provided the County Commission with a disclosure of the potential risks inherent in the swap agreement.	___	___	x
2. I/We have disclosed all fees associated with the swap agreement to the County Commission.	___	___	x
3. I/We have provided the County Commission with documentation necessary to effectuate the swap agreement including master agreements, schedules, credit support annexes, confirmations, legal opinions, fairness opinions, and any other information necessary to comply with subdivisions (3) and (5) of subsection (c) of Section 3 of Act Number 2009-757, *Acts of Alabama.*	___	___	x

Bond Underwriter/Swap Agreement Provider:

Signature ____

Printed Name ____

Title ____

Company Name ____

16-6

ADJOURNMENT

There being no further business to come before the Commission at this time, the meeting stood adjourned until Monday, May 18, 2015, at 8:00 in the morning.

Administrator	Chairman