

RESOLUTION
NO. 2021-35

A RESOLUTION
TO BE ENTITLED:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PENSACOLA, FLORIDA, (i) AUTHORIZING THE EXECUTION OF A GAS SUPPLY CONTRACT WITH THE GULF STATES GAS DISTRICT ("GSGD") FOR THE PURCHASE OF NATURAL GAS FROM GSGD; (ii) ACKNOWLEDGING THAT GSGD WILL ISSUE ITS GAS SUPPLY REVENUE BONDS TO FUND THE PURCHASE OF A SUPPLY OF NATURAL GAS FROM BP ENERGY COMPANY ("BPEC"), WHICH GAS WILL BE USED TO MAKE DELIVERIES UNDER THE CONTRACT; AND (iii) FOR OTHER PURPOSES AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City owns and operates a municipal gas distribution utility and is authorized by the provisions of Florida law to acquire, purchase, transport, store and manage supplies of gas necessary to meet the requirements of the residential, commercial and industrial customers served by such utility; and

WHEREAS, the acquisition of secure, reliable and economic supplies of natural gas is necessary for the prudent and businesslike operation of the utility owned by the City, the continued economic development of its community and the promotion of the public health, safety and welfare; and

WHEREAS, The Gulf States Gas District, which was organized and established pursuant to the provisions of the Alabama Gas Districts Act, Sec. 11-50-390 *et seq.* of the Alabama Code (1975), as amended, has offered to sell to the City, pursuant to the Contract, a supply of natural gas in the quantities on the dates set forth in the Contract, on the condition that GSGD issues its Gas Supply Revenue Bonds, 2021 Series A (the "Bonds"), the proceeds of which will be used to acquire a supply of natural gas (the "Gas Supply") pursuant to a Prepaid Agreement with BPEC (the "Prepaid Agreement"); and

WHEREAS, the City is a Municipal Utility, as such term is defined in the Gas Supply Contract, and desires to enter into the Contract with GSGD.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pensacola, Florida (the "Governing Body"), as follows:

SECTION 1. Recitals. The aforementioned recitals are true and correct and are hereby incorporated into this resolution as legislative findings.

SECTION 2. The City hereby authorizes the execution and delivery of the Gas Supply Contract, in substantially the form previously submitted to the City and attached hereto, pursuant to which the City will agree to purchase specified quantities of natural gas from GSGD, such deliveries to be made on the dates, at the volumes and for the prices set forth in such Gas Supply Contract.

SECTION 3. The Mayor of the City, or his designee, is hereby authorized to execute the Gas Supply Contract and such other closing documents or certificates which may be required or contemplated in connection with the execution and delivery of the Gas Supply Contract or carrying out the intent and purpose of this resolution.

SECTION 4. This resolution shall take effect on the fifth business day after adoption, unless otherwise provided, pursuant to Section 4.03(d) of the City Charter of the City of Pensacola

Adopted and approved this ____ day of _____, 2021.

President of the City Council

Attest:

City Clerk