

RESOLUTION NO. 2071-10

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA, SUPPLEMENTING ORDINANCE NO. 2830-10 OF THE CITY WHICH AUTHORIZED THE REFUNDING OF ALL OUTSTANDING WATER AND SEWER REVENUE BONDS, SERIES 2004, OF THE CITY, AND THE ACQUISITION AND/OR CONSTRUCTION OF ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE WATER AND SEWER SYSTEM OF THE CITY, AND PROVIDED FOR THE ISSUANCE OF NOT EXCEEDING \$17,000,000 WATER AND SEWER REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2010, OF THE CITY TO BE APPLIED TO FINANCE THE COST THEREOF, AND PROVIDED FOR THE PAYMENT OF SUCH BONDS FROM THE NET REVENUES DERIVED FROM SUCH SYSTEM; BY MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH AND AUTHORIZING A NEGOTIATED SALE OF SUCH BONDS, SUBJECT TO CERTAIN CONDITIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA:

ARTICLE I

AUTHORITY, DEFINITIONS AND FINDINGS

SECTION 1.01 AUTHORITY. This Resolution is adopted pursuant to the provisions of Chapter 166, Parts I and II, and Chapter 159, Part I, Florida Statutes; Chapter 86, Article III, of the Code of Ordinances of the City of Winter Park, Florida; Section 16T of the Original Resolution; the Bond Ordinance; and other applicable provisions of law; and is supplemental to the Bond Ordinance.

SECTION 1.02 DEFINITIONS. Unless the context otherwise requires, the terms defined in this Section shall have the meanings specified in this Section. Terms not otherwise defined in this Section shall have the meanings specified in the Original Resolution. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Adjusted One Month LIBOR Rate" shall mean the sum of 2.50% plus the quotient of (i) LIBOR on the immediately preceding business day for dollar deposits with a maturity equal to one month, divided by (ii) one minus the "Reserve

Requirement" applicable to dollar deposits in the London interbank market with a maturity equal to one month.

"Authorized Officer" shall mean the City Manager, Assistant City Manager or Finance Director of the Issuer, or his or her designee.

"Bank" shall mean JPMorgan Chase Bank, N.A.

"Base Rate" shall mean the higher of (i) the Prime Rate, (ii) Adjusted One Month LIBOR Rate and (iii) 7.5%.

"Bond Ordinance" shall mean Ordinance No. 2830-10 of the Issuer.

"Bond Registrar" shall mean the City Clerk of the Issuer, who shall maintain the registration books of the Issuer and be responsible for the transfer of the Series 2010 Bonds, and who also shall be the paying agent for the Series 2010 Bonds.

"Bond Year" shall mean the annual period ending on an Obligation principal maturity date or Amortization Installment due date.

"Certificate of Award" shall mean a certificate reviewed in advance by the Bank and executed by an Authorized Officer, awarding the Series 2010 Bonds to the Bank at par and containing the amount, maturity schedule and Stated Rate applicable to the Series 2010 Bonds.

"Commission" shall mean the City Commission of the City of Winter Park, Florida.

"Commitment" shall mean the commitment letter of the Bank with respect to the Series 2010 Bonds.

"Cost of Operation and Maintenance" of the System shall mean the current expenses, paid or accrued, of operation, maintenance and repair of the System, as calculated in accordance with generally accepted accounting principles, but shall not include any reserves for renewals and replacements, extraordinary repairs, or any allowance for renewals, replacements and depreciation.

"Default Rate" shall mean the Base Rate plus 4.00%, but not exceeding the Maximum Rate, and shall be determined as of the day immediately following the date on which any amount payable to the Holder is not paid when due.

"Federal Securities" shall mean (i) direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America; (ii) certificates evidencing ownership of portions of such obligations described in (i) held by a bank or trust company as custodian, under which the owner of the investment is the real

party in interest and has the right to proceed directly and independently against the obligor on the underlying obligations if such underlying obligations are not available to satisfy any claim against the custodian; (iii) municipal obligations that have been advance refunded, are secured by an escrow within which are held obligations described in (i), and have been rated in the highest rating category by either S&P or Moody's; and/or (iv) Interest Components of Resolution Funding Corporation Bonds issued by the Resolution Funding Corporation under the authority of 12 U.S.C. §1441b (so long as such Interest Components have been stripped by the Federal Reserve Bank of New York); none of which described in (i), (ii), (iii) or (iv) above is redeemable prior to maturity at the option of the obligor.

"Gross Revenues" or "Revenues" shall mean all income or earnings, including any income from the investment of funds, but excluding connection fees or charges (including, but not limited to, impact fees and the earnings thereon), derived by the Issuer from the operation of the System.

"Holder," "Bondholder" or "Registered Owner," or any similar term, shall mean the owner of any such Series 2010 Bonds as shown on the registration books of the Issuer maintained by the Bond Registrar.

"Interest Payment Date" shall mean June 1 and December 1 of each year while the Series 2010 Bonds are outstanding and unpaid.

"Issuer" shall mean the City of Winter Park, Florida.

"LIBOR" shall mean, as of any date, the 30-day London Interbank Offered Rates for United States dollar deposits in same day funds which appear on Telerate Page 3750 (or any successor) at approximately 11:00 a.m. London time on such date (or if such date is not a date on which dealings in United States dollars are transacted in such market, then on the next preceding day on which such dealings were transacted in such market), in amounts and with maturities comparable to the outstanding amount for which the interest rate is being determined.

"Maximum Rate" shall mean the maximum rate of interest permitted for non-rated governmental bonds as set forth in Section 215.84(3), Florida Statutes, as it may be amended from time to time.

"Net Revenues" of the System shall mean the Revenues or Gross Revenues, after deduction of the Cost of Operation and Maintenance.

"Original Resolution" shall mean, collectively, Resolution No. 1878-04 duly adopted by the Commission on August 9, 2004.

"Outstanding Parity Bonds" shall mean the outstanding Water and Sewer Revenue Bonds, Series 2002, and Water and Sewer

Refunding and Improvement Revenue Bonds, Series 2009, of the Issuer payable from and secured by a prior lien upon and pledge of the Net Revenues on a parity with the Series 2010 Bonds.

"Prepayment Premium" shall mean the sum of the differences between (a) each scheduled interest payment which would have been made on the redeemed amount if such redemption had not occurred and (b) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Holder shall be deemed to have entered into as of the date of such redemption (the "Replacement Swap") covering its payment obligations under an interest rate swap which the Holder shall be deemed to have entered into when the redeemed amount was originally funded, with each such difference discounted to a present value as of the date of redemption using the fixed interest rate of the Replacement Swap as the applicable discount rate. For the purposes of this definition, the Issuer acknowledges that the Holder might not fund or hedge its fixed-rate loan portfolio or any redemption thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any redemption irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the loan evidenced by the Series 2010 Bonds. All calculations and determinations by the Holder of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error.

"Prime Rate" shall mean a rate of interest equal to the announced prime commercial lending rate per annum of the Bank. The Prime Rate is a reference rate for the information and use of the Bank in establishing the actual rate to be charged to the Issuer. The Prime Rate is purely discretionary and is not necessarily the lowest or best rate charged any customer. The Prime Rate shall be adjusted from time to time without notice or demand as of the effective date of any announced change thereof.

"Project" shall mean additions, extensions and improvements to the System along Fairbanks Avenue, all in accordance with plans and specifications now on file or to be on file with the Issuer on or prior to the date of issuance of the Series 2010 Bonds.

"Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

"Refunded Bonds" shall mean all of the outstanding Water and Sewer Revenue Bonds, Series 2004, of the Issuer.

"Refunding" shall mean the current refunding of all the Refunded Bonds.

"Series 2010 Bonds" shall mean the Water and Sewer Refunding and Improvement Revenue Bonds, Series 2010, herein authorized to be issued.

"System" shall mean the consolidated water and sewer system of the Issuer, and any and all improvements, extensions and additions thereto hereafter constructed or acquired.

"Taxable Rate" shall mean a rate equal to the Prime Rate times that percentage which after the Determination of Taxability will result in the same after-tax yield to the Holder of the Series 2010 Bonds as before the Determination of Taxability.

SECTION 1.03 FINDINGS. It is hereby ascertained, determined and declared that:

A. The Issuer owns, operates and maintains the System and derives and will continue to derive Net Revenues from rates, fees, rentals and other charges made and collected for the services of and with respect to the System. Such Net Revenues are not now pledged or encumbered in any manner except to the payment from such Net Revenues of the Outstanding Parity Bonds.

B. It is necessary and desirable to implement the Refunding for the reasons stated in the Bond Ordinance.

C. The Project is necessary and desirable in order to preserve and protect the public health, safety and welfare of the inhabitants of the Issuer.

D. Section 16T of the Original Resolution provides for the issuance of Additional Parity Obligations under the terms, limitations and conditions provided therein. The Issuer will comply with such terms, limitations and conditions, on or prior to the date of delivery of the Series 2010 Bonds, and is, therefore, legally entitled to issue the Series 2010 Bonds as Additional Parity Obligations within the authorization contained in the Original Resolution.

E. The Series 2010 Bonds shall be payable on a parity and rank equally as to lien on and source and security for payment from the Net Revenues with the Outstanding Parity Bonds.

F. The principal of and interest on the Series 2010 Bonds and all required sinking fund, reserve and other payments shall be payable solely from the Net Revenues as provided herein and in the Original Resolution. Neither the Issuer nor the State of Florida or any political subdivision thereof or governmental authority or body therein shall ever be required to levy ad valorem taxes to pay the principal of and interest on the Series 2010 Bonds or to make any of the sinking fund, reserve or other payments required by this Resolution, the Original Resolution or

the Series 2010 Bonds; and the Series 2010 Bonds shall not constitute a lien upon any other property owned by or situated within the corporate territory of the Issuer.

G. The estimated Net Revenues will be sufficient to pay all principal of and interest on the Series 2010 Bonds and the Outstanding Parity Bonds, as the same become due, and to make all sinking fund, reserve or other payments required by this Resolution and the Original Resolution.

H. Due to continued reductions in the ratings associated with the municipal bond insurer for the Refunded Bonds and the turmoil and instability in the bond market for auction rate securities such as the Refunded Bonds, and the recommendation of the financial advisor to the Issuer, it is in the best interest of the Issuer to approve a negotiated sale of the Series 2010 Bonds upon the terms, conditions and limitations set forth herein. The Issuer expects to receive the Commitment on or about the date of adoption of this Resolution.

I. The Issuer will receive prior to the sale of the Series 2010 Bonds, disclosure and truth-in-bonding statements as required by Section 218.385, Florida Statutes.

J. The Series 2010 Bonds will not be "private activity bonds" as defined in Section 141 of the Code.

K. The Issuer (and all subordinate entities thereof) does not reasonably expect to issue tax-exempt obligations (other than "private activity bonds") in excess of \$30,000,000 aggregate face amount in calendar year 2010.

L. The Series 2010 Bonds will be deemed "obligations" of a "municipal utility" within the meaning of Section 215.84(8), Florida Statutes, so no interest rate limit contained in Section 215.84, Florida Statutes, is applicable to them.

M. It is necessary and desirable at this time to delegate to an Authorized Officer, the authority to fix the remaining fiscal details for the Series 2010 Bonds on behalf of the Issuer and to execute the Certificate of Award on behalf of the Issuer, subject to the conditions in Section 7.03 of this Resolution.

SECTION 1.04 RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Series 2010 Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution (including the Bond Ordinance and applicable provisions of the Original Resolution) shall be deemed to be and shall constitute a contract between the Issuer and such Bondholders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the benefit, protection and security of the legal Holders of the Series 2010 Bonds.

ARTICLE II

PROJECT AND REFUNDING; DESCRIPTION, DETAILS AND FORM OF BONDS

SECTION 2.01 PROJECT AND REFUNDING. The Project and the Refunding have been authorized by the Bond Ordinance. The cost of the Project and the Refunding, in addition to the items set forth in the plans and specifications for the Project, may include, but need not be limited to, the acquisition of any personal property or fixtures deemed necessary or convenient therefor; engineering, legal and financing expenses; expenses for estimates of costs and of revenues; expenses for plans, specifications, surveys and computer schedules; the fees of fiscal agents, financial advisors or consultants; administrative expenses relating solely to the Project; the capitalization of interest for a reasonable period after the issuance of the Series 2010 Bonds; the discount on the sale of the Series 2010 Bonds, if applicable; and such other costs and expenses as may be necessary or incidental to the financing herein authorized and the Project, including reimbursement for money advanced for the cost of the Project from other funds to the Issuer, within the period of 60 days prior to the date of adoption of this Resolution.

SECTION 2.02 AUTHORIZATION OF BONDS. Subject to the provisions of this Resolution and the Original Resolution, the Bond Ordinance has authorized the issuance of obligations of the Issuer to be known as "Water and Sewer Refunding and Improvement Revenue Bonds, Series 2010," herein sometimes referred to as "Series 2010 Bonds," in the aggregate principal amount of not exceeding \$17,000,000. The actual amount of Series 2010 Bonds sold shall be specified in the Certificate of Award.

SECTION 2.03 DESCRIPTION OF BONDS. The Series 2010 Bonds shall be issued in the form of a single, fully registered Bond, without coupons; shall be dated the date of their delivery; shall bear interest from their date on their unpaid principal balances at the rate per annum set forth in the Certificate of Award (the "Stated Rate"), subject to adjustment as specified below, calculated on a 30/360-day year basis, such interest to be payable on each Interest Payment Date beginning on June 1, 2011; shall be payable in principal installments on December 1 in the years and amounts set forth in the Certificate of Award, beginning on December 1, 2019; and shall all mature on December 1, 2030. If any payment day is not a business day, then payment will be due on the next succeeding business day, with interest accrued to and including such business day.

The Stated Rate is subject to adjustment as follows.

In the event a Determination of Taxability shall have occurred, the rate of interest on the Series 2010 Bonds shall be increased to the Taxable Rate, effective retroactively to the

date on which the interest payable on the Series 2010 Bonds is includable for federal income tax purposes in the gross income of the Holder thereof. In addition, the Holder of the Series 2010 Bonds or any former Holders of the Series 2010 Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States of America by the Holder or former Holders of the Series 2010 Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the Issuer within 60 days following the Determination of Taxability and demand by the Holder. A "Determination of Taxability" shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Series 2010 Bonds is includable for federal income tax purposes in the gross income of the Holder thereof, which notice or notification is not contested by either the Issuer or any Holder of the Series 2010 Bonds, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Series 2010 Bonds is includable for federal income tax purposes in the gross income of the Holder thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the Issuer to the effect that interest on the Series 2010 Bonds is includable for federal income tax purposes in the gross income of the Holder thereof.

In the alternative, in the event that interest on the Series 2010 Bonds during any period becomes partially taxable as a result of a Determination of Taxability applicable to less than all of the Series 2010 Bonds, then the interest rate on the Series 2010 Bonds shall be increased during such period by an amount equal to: $(A-B) \times C$ where:

(A) "A" equals the Taxable Rate (expressed as a percentage);

(B) "B" equals the interest rate on the Series 2010 Bonds (expressed as a percentage); and

(C) "C" equals the portion of the Series 2010 Bonds, the interest on which has become taxable as the result of such tax change (expressed as a decimal).

In addition, the Holder of the Series 2010 Bonds or any former Holder of the Series 2010 Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Holder or former Holders of the Series 2010 Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the Issuer within 60 days following the Determination of Taxability and demand by the Holder.

In the event that the maximum effective federal corporate tax rate (the "Maximum Corporate Tax Rate") during any period with respect to which interest shall be accruing on the Series 2010 Bonds on a tax-exempt basis, changes from the Maximum Corporate Tax Rate then in effect and causes a reduction in yield on the Series 2010 Bonds, the interest rate on the Series 2010 Bonds that is bearing interest on a tax-exempt basis shall be adjusted to the product obtained by multiplying the interest rate then in effect on the Series 2010 Bonds by a fraction equal to $(1-A \text{ divided by } 1-B)$, where A equals the Maximum Corporate Tax Rate in effect as of the date of adjustment and B equals the Maximum Corporate Tax Rate in effect immediately prior to the date of adjustment.

So long as any portion of the principal amount of the Series 2010 Bonds or interest thereon remains unpaid (a) if any law, rule, regulation or executive order is enacted or promulgated by any public body or governmental agency which changes the basis of taxation of interest on the Series 2010 Bonds or causes a reduction in yield on the Series 2010 Bonds (other than by reason of a change described above) to the Holder or any former Holders of the Series 2010 Bonds, including without limitation the imposition of any excise tax or surcharge thereon, or (b) if, as result of action by any public body or governmental agency, any payment is required to be made by, or any federal, state or local income tax deduction is denied to, the Holder or any former Holders of the Series 2010 Bonds (other than by reason of a change described above or by reason of any action or failure to act on the part of the Holder or any former Holders of the Series 2010 Bonds), including, but not limited to, loss of status as a "qualified tax-exempt obligation" for purposes of Section 265(b)(3)(B) of the Code, by reason of the ownership of the Series 2010 Bonds, the Issuer shall reimburse any such Holder within 5 days after receipt by the Issuer of written demand for such payment, and, to the extent permitted by law, the Issuer agrees to indemnify each such Holder against any loss, cost, charge or expense with respect to any such change. The determination of the after-tax yield calculation shall be verified by a firm of certified public accountants regularly employed by the Holder (or the current Holders of the Series 2010 Bonds) and acceptable to the Issuer, and such calculation, in the absence of manifest error, shall be binding on the Issuer and the Holder.

If any principal of or interest on the Series 2010 Bonds is not paid when due, the Series 2010 Bonds and any amount so in default shall bear interest at the Default Rate until such default is cured. Anything provided herein or in the Series 2010 Bonds to the contrary notwithstanding, in no event shall the Series 2010 Bonds bear interest in excess of the Maximum Rate. In the event the Stated Rate exceeds the Maximum Rate, the Series 2010 Bonds shall continue to bear interest at the Maximum Rate regardless of the reduction of the Stated Rate to a rate less than the Maximum Rate until such time as interest shall accrue on

the Series 2010 Bonds in an amount (the "Excess Interest") that would have accrued thereon had the Interest Rate not been limited by the Maximum Rate. Upon the maturity date of the Series 2010 Bonds, in consideration for the limitation of the rate of interest otherwise payable on the Series 2010 Bonds, the Issuer shall pay to the Holder of the Series 2010 Bonds, a fee equal to the amount of the unpaid amount of all unpaid deferred Excess Interest.

The Series 2010 Bonds shall be payable with respect to both principal and interest in lawful money of the United States of America, by check or draft mailed to the Registered Owners at their addresses as they appear on the registration books at 5:00 p.m. (eastern time) on the Record Date, or at the option of the Issuer, by wire transfer to the Bondholder in accordance with wire instructions furnished by the Bondholder to the Issuer at least one business day before the payment date, or any other means mutually acceptable to the Issuer and the Bondholder. Upon final payment of principal and interest at maturity, the Series 2010 Bonds shall be surrendered to the Issuer.

SECTION 2.04 EXECUTION OF BONDS. The Series 2010 Bonds shall be executed in the name of the Issuer by its Mayor or Vice Mayor (collectively, the "Mayor"), and the corporate seal of the Issuer or a facsimile thereof shall be affixed thereto or reproduced thereon and attested by its City Clerk or Deputy City Clerk (collectively, the "City Clerk"). The authorized signatures for the Mayor and City Clerk shall be either manual or in facsimile. The Certificate of Authentication of the Bond Registrar shall appear on the Series 2010 Bonds, and no Series 2010 Bonds shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless such certificate shall have been duly executed on such Series 2010 Bond. The authorized signature for the Bond Registrar shall be either manual or in facsimile; provided, however, that at least one of the above signatures, including that of the authorized signature for the Bond Registrar, appearing on the Series 2010 Bonds shall at all times be a manual signature. In case any one or more of the officers who shall have signed or sealed any of the Series 2010 Bonds shall cease to be such officer of the Issuer before the Series 2010 Bonds so signed and sealed shall have been actually sold and delivered, such Series 2010 Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Series 2010 Bonds may be signed and sealed on behalf of the Issuer by such person as at the actual time of the execution of such Series 2010 Bonds shall hold the proper office, although at the date of such Series 2010 Bonds such person may not have held such office or may not have been so authorized.

SECTION 2.05 NEGOTIABILITY. The Series 2010 Bonds shall be and have all the qualities and incidents of negotiable instruments

under the laws of the State of Florida, and each successive Holder, in accepting any of the Series 2010 Bonds, shall be conclusively deemed to have agreed that such Series 2010 Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

SECTION 2.06 REGISTRATION. Upon surrender to the Bond Registrar for transfer of any Series 2010 Bond, duly endorsed for transfer and duly executed by the Registered Owner or his attorney duly authorized in writing, the Bond Registrar may deliver in the name of the transferee, a new fully registered Series 2010 Bond of the same maturity and interest rate and for the principal amount which the Registered Owner is entitled to receive.

All Series 2010 Bonds presented for transfer, prepayment or payment (if so required by the Issuer or the Bond Registrar) shall be accompanied by a written instrument or instruments of transfer, in form and with guaranty of signature satisfactory to the Issuer or the Bond Registrar, duly executed by the Registered Owner or by his duly authorized attorney.

The Bond Registrar or the Issuer may require payment from the Registered Owner or transferee of a sum sufficient to cover any tax, fee or other governmental charge (levied or imposed by a body other than the Issuer) that may be imposed in connection with any transfer of the Series 2010 Bonds, or any fee of bond counsel to the Issuer in connection with the preparation of any new Series 2010 Bond. Such fees, charges and expenses shall be paid before any new Series 2010 Bond shall be delivered.

Interest on and principal installments for the Series 2010 Bonds shall be paid to the Registered Owners whose names appear on the books of the Bond Registrar as of 5:00 p.m. (eastern time) on the Record Date. Any new Series 2010 Bonds delivered upon any transfer shall be valid obligations of the Issuer, evidencing the same debt as the Series 2010 Bonds surrendered, shall be secured by this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Series 2010 Bonds surrendered.

The Issuer and the Bond Registrar may treat the Registered Owner of any Series 2010 Bond as the absolute owner thereof for all purposes, whether or not such Series 2010 Bond shall be overdue, and shall not be bound by any notice to the contrary.

SECTION 2.07 BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Series 2010 Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer, acting through the Bond Registrar, may in its discretion issue and deliver a new Series 2010 Bond of like tenor as the Bond so mutilated, destroyed, stolen, or lost, in exchange and substitution for such mutilated Series 2010 Bond, upon surrender and cancellation of such

mutilated Series 2010 Bond or in lieu of and substitution for the Series 2010 Bond destroyed, stolen or lost, and upon the Registered Owner furnishing satisfactory proof of his ownership and the loss thereof (if lost, stolen or destroyed) and indemnity satisfactory to the Issuer, and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying (in advance if so required by the Issuer or the Bond Registrar) such taxes, governmental charges, attorneys fees, printing costs and other expenses as the Issuer and/or the Bond Registrar may charge and/or incur. All Series 2010 Bonds so surrendered shall be cancelled by the Bond Registrar. If any such Series 2010 Bond shall have matured or will mature within 45 days, instead of issuing a substitute Series 2010 Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Series 2010 Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2010 Bonds issued pursuant to this section shall constitute original contractual obligations on the part of the Issuer, whether or not the lost, stolen or destroyed Series 2010 Bonds be at any time found by anyone.

ARTICLE III

PREPAYMENT OF BONDS

SECTION 3.01 OPTIONAL PREPAYMENT. The outstanding principal payment installments of the Series 2010 Bonds shall be subject to prepayment at the option of the Issuer, prior to their respective payment dates, in whole or in part and at any time on or prior to the 10th anniversary date after the date of issuance of the Series 2010 Bonds, at the price of par and accrued interest to the prepayment date, plus an amount equal to the Prepayment Premium. Thereafter, the outstanding principal payment installments of the Series 2010 Bonds shall be subject to prepayment at the option of the Issuer, prior to their respective payment dates, in whole or in part and at any time, at the price of par and accrued interest to the prepayment date, without premium.

SECTION 3.02. PREPAYMENT NOTICE. Notice of optional prepayment shall, at least 7 calendar days prior to the prepayment date, be mailed (postage prepaid), telecopied or e-mailed by the Bond Registrar to the Holder at his address as it appears of record on the books of the Bond Registrar as of 15 business days prior to the date fixed for prepayment. Interest shall cease to accrue on the principal amount of the Series 2010 Bonds duly called for prepayment on the prepayment date, if payment thereof has been duly provided. Under such circumstances the privilege of transfer of the Series 2010 Bonds shall be suspended.

ARTICLE IV

BOND FORM

SECTION 4.01 FORM OF BONDS. The text of the Series 2010 Bonds, together with the Certificate of Authentication of the Bond Registrar, shall be substantially of the following tenor, with such omissions, insertions and variations as may be necessary or desirable and authorized or permitted by this Resolution or any subsequent resolution adopted prior to the issuance thereof; or as may be necessary to comply with applicable laws, rules and regulations of the United States Government and the State of Florida in effect upon the issuance thereof:

\$ _____

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF ORANGE
CITY OF WINTER PARK
WATER AND SEWER REFUNDING AND IMPROVEMENT REVENUE BOND
SERIES 2010

KNOW ALL MEN BY THESE PRESENTS, that the City of Winter Park, Florida (the "Issuer"), for value received hereby promises to pay to JPMorgan Chase Bank, N.A., or registered assigns (the "Registered Owner"), solely from the special funds described below, the principal sum specified above, on December 1 in the years and in the principal installments as follows:

<u>Years</u>	<u>Amounts</u>
2019	\$
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	

and to pay solely from such special funds, interest on the balance of such principal sum from time to time remaining unpaid, from the date of this Series 2010 Bond, at the rate of ____% per annum (subject to adjustment as provided in the Resolution), payable on June 1, 2011, and semiannually thereafter on each June 1 and December 1 of each year to and including maturity on December 1, 2030, by check or draft mailed to the Registered Owner at his address as it appears on the registration books at 5:00 p.m. (eastern time) on the Record Date (as defined in the Resolution), or at the option of the Issuer, by wire transfer to the Registered Owner in accordance with wire instructions furnished by the Registered Owner to the Issuer at least one business day before the payment date, or other mutually acceptable means. The principal of, any prepayment premium and interest on this Series 2010 Bond are payable in lawful money of the United States of America. Upon final payment of principal and interest, this Series 2010 Bond shall be surrendered to the Issuer.

This Series 2010 Bond represents an authorized issue of Series 2010 Bonds issued to finance the cost of refunding the outstanding Water and Sewer Revenue Bonds, Series 2004, of the Issuer, and the acquisition and/or construction of additions, extensions and improvements to the consolidated water and sewer system of the Issuer, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Part II, and Chapter 159, Part I, Florida Statutes, and other applicable provisions of law; and Ordinance No. 2830-10 of the Issuer, as supplemented by Resolution No. ____-10 (the "Bond Resolution") of the City Commission of the Issuer (collectively, the "Bond Ordinance"); and is subject to all the terms and conditions of such Bond Ordinance. Terms not otherwise defined in this Series 2010 Bond shall have the meanings ascribed to them by the Bond Ordinance.

This Series 2010 Bond and the interest hereon are payable solely from and secured by a prior lien upon and pledge of the Net Revenues (as defined in the Bond Ordinance) derived by the Issuer from the operation of the System, in the manner and to the extent provided in the Bond Ordinance, on a parity with the outstanding Water and Sewer Revenue Bonds, Series 2002, and Water and Sewer Refunding and Improvement Revenue Bonds, Series 2009, of the Issuer. This Series 2010 Bond does not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

PREPAYMENT

The outstanding principal payment installments of this Series 2010 Bond shall be subject to prepayment as set forth in Section 3.01 of the Bond Resolution. Notice of such prepayment shall be given in the manner and to the extent required by the Bond Resolution.

GENERAL PROVISIONS

It is expressly agreed by the Registered Owner of this Series 2010 Bond that such Registered Owner shall never have the right to require or compel the levy of ad valorem taxes for the payment of the principal of and interest on this Series 2010 Bond or for the making of any sinking fund or other payment specified in the Bond Ordinance. This Series 2010 Bond and the indebtedness evidenced thereby shall not constitute a lien upon any other property of or in the Issuer, but shall constitute a lien only upon the Net Revenues, in the manner and to the extent provided in the Bond Ordinance.

This Series 2010 Bond may be transferred only upon the books of the Issuer kept by the Bond Registrar upon surrender thereof at the office of the Bond Registrar with an assignment duly executed by the Registered Owner or his duly authorized attorney, but only in the manner, subject to the limitations and upon payment of a sum sufficient to cover any tax, fee or governmental charge, if

any, that may be imposed in connection with any such transfer, as provided in the Bond Ordinance. Upon any such transfer, there shall be executed in the name of the transferee, and the Bond Registrar shall deliver, a new registered Series 2010 Bond in the same principal amount, maturity and interest rate as this Series 2010 Bond.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Series 2010 Bond exist, have happened and have been performed in regular and due form and time as required by the Statutes and Constitution of the State of Florida applicable thereto; and that the issuance of this Series 2010 Bond does not violate any constitutional or statutory limitation.

This Series 2010 Bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida.

This Series 2010 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the certificate of authentication hereon shall have been executed by the Bond Registrar.

IN WITNESS WHEREOF, the City of Winter Park, Florida, has issued this Series 2010 Bond and has caused the same to be executed by its Mayor, and its corporate seal to be impressed, imprinted or otherwise reproduced hereon and attested by its City Clerk, all as of December 13, 2010.

CITY OF WINTER PARK, FLORIDA

(SEAL)

By Kenneth W. Bradley
Mayor

ATTESTED:

By Antonia S. Bonham
City Clerk

CERTIFICATE OF AUTHENTICATION OF BOND REGISTRAR

This Series 2010 Bond represents the Series 2010 Bonds of the issue described in the Bond Ordinance.

CITY CLERK
City of Winter Park, Florida
As Bond Registrar

Date of Authentication: December __, 2010

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIF/TRANS MIN ACT - _____ (Cust.)
TEN ENT - as tenants by the entireties	Custodian for _____ (Minor)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts/Transfers to Minors Act of _____ (State)

Additional abbreviations may also be used though not in list above.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers to _____

(PLEASE INSERT NAME, ADDRESS AND SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE) the within bond and does hereby irrevocably constitute and appoint _____ as his agent to transfer the bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within bond in every particular, without alteration or enlargement or change whatever.

Signature guaranteed:

Signature guarantee by guarantor institution participating in Securities Transfer Agents Medallion Program, or in other guarantee program acceptable to Bond Registrar

ARTICLE V

BOND PROCEEDS; REDEMPTION OF REFUNDED BONDS

SECTION 5.01 APPLICATION OF BOND PROCEEDS. The proceeds, including accrued and capitalized interest, if any, received from the sale of any or all of the Series 2010 Bonds shall be applied by the Issuer simultaneously with their delivery to the purchaser thereof as follows:

A. Accrued and capitalized interest shall be deposited in the Interest Account, created and established by the Original Resolution, and shall be used only for the purpose of paying interest becoming due on the Series 2010 Bonds.

B. An amount sufficient to pay the principal and interest due on the redemption date for the Refunded Bonds shall be deposited with the paying agent for the Refunded Bonds.

C. The Issuer shall pay all costs and expenses in connection with the preparation, sale and issuance of the Series 2010 Bonds.

D. There is hereby established the Series 2010 Bonds Project Fund (the "Project Fund") into which shall be paid the balance of the money remaining after making all the deposits and payments provided in paragraphs A, B and C above. The Project Fund shall be kept separate and apart from all other funds and accounts of the Issuer, and the money on deposit therein shall be withdrawn, used and applied by the Issuer solely to the payment of the cost of the Project and purposes incidental thereto, as described above and set forth. If for any reason such proceeds or any part thereof are not necessary for or are not applied to the payment of such cost, then the unapplied proceeds shall be deposited by the Issuer into the Sinking Fund. Any funds on deposit in the Project Fund which, in the opinion of the Issuer, are not immediately necessary for expenditure, as provided above, may be invested in Authorized Investments maturing not later than the date on which such funds will be needed for payment of the costs of the Project. All income derived therefrom shall be deposited in the Project Fund pending completion of the Project, and then in the Sinking Fund. All such proceeds shall be and constitute trust funds for such purposes, and there is hereby created a lien upon such money until so applied in favor of the Holders of the Series 2010 Bonds.

SECTION 5.02 REDEMPTION OF REFUNDED BONDS. The Refunded Bonds are hereby called for redemption, as a whole, as of December 23, 2010, at a price of par plus accrued interest to the Redemption Date, without premium. The Notice of Redemption of such Refunded Bonds shall be in substantially the form attached to this Resolution as Exhibit A. Dissemination of the Notice of

Redemption prior to adoption of this Resolution is hereby ratified and confirmed.

ARTICLE VI

ORIGINAL RESOLUTION

SECTION 6.01 APPLICATION OF ORIGINAL RESOLUTION. Subject to the following exception, the Series 2010 Bonds shall for all purposes be considered to be Additional Parity Obligations issued under the authority of the Original Resolution and the Bond Ordinance and shall be entitled to all the protection, security, rights and privileges enjoyed by the Outstanding Parity Bonds; however, there shall be no Reserve Account requirement for the Series 2010 Bonds and no Holder of the Series 2010 Bonds shall have any right to receive the payment of principal of, Prepayment Premium or interest on the Series 2010 Bonds from the Reserve Account.

The Series 2010 Bonds herein authorized shall not be or constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory limitation of indebtedness, but shall be payable solely from and secured by a prior lien upon and pledge of the Net Revenues on a parity with the Outstanding Parity Bonds, as provided in this Resolution, the Bond Ordinance and the Original Resolution. No Holder of any of the Series 2010 Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form on real property therein for payment of the Series 2010 Bonds.

A copy of the annual audit and report required by Section 16H and Section 16P, respectively, of the Original Resolution shall be furnished to the Bank within 180 days of the end of the related Fiscal Year.

Each of the following events is hereby declared an "event of default" under this Resolution, that is to say if:

A. Payment of principal of any Series 2010 Bond shall not be made when the same shall become due and payable either at maturity or on required payment dates by proceedings for prepayment or otherwise.

B. Payment of any installment of interest on any Series 2010 Bond shall not be made when the same shall become due and payable.

C. The Issuer shall for any reason be rendered incapable of fulfilling its obligations under this Resolution, and such conditions shall continue unremedied for a period of 30 days after the Issuer becomes aware of such conditions.

D. An order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or receivers of the Issuer, the Net Revenues, or any part thereof, or the filing of a petition by the Issuer for relief

under federal bankruptcy laws or any other applicable law or statute of the United States of America or the State of Florida, which shall not be dismissed, vacated or discharged within 30 days after the filing thereof.

E. Any proceedings shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statutes now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Gross Revenues.

F. The entry of a final judgment or judgments for the payment of money against the Issuer, as a result of the ownership, operation or control of the System which subjects any of the funds pledged under this Resolution to a lien for the payment thereof in contravention of the provisions of this Resolution for which there does not exist adequate insurance, reserves or appropriate bonds for the timely payment thereof, and any such judgment shall not be discharged within 90 days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof.

G. The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Series 2010 Bonds, or in this Resolution, on the part of the Issuer to be performed, and such default shall continue for 30 days after written notice specifying such default and requiring the same to be remedied shall have been given to the Issuer by the Bondholder.

ARTICLE VII

REMEDIES, TAX COVENANTS AND BOND SALE

SECTION 7.01 REMEDIES. Any trustee or any Holder of Series 2010 Bonds issued under the provisions hereof acting for the Holders of all Series 2010 Bonds may by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State of Florida, or granted and contained herein, and may enforce and compel the performance of all duties herein required or by any applicable statutes to be performed by the Issuer or by any officer thereof. Nothing herein, however, shall be construed to grant to any Holder of such Series 2010 Bonds any lien on any property of or within the corporate boundaries of the Issuer, except as provided herein. No Holder of Series 2010 Bonds, however, shall have any right in any manner whatever to affect, disturb or prejudice the security of this Resolution or to enforce any right hereunder except in the manner herein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Holders of Series 2010 Bonds.

SECTION 7.02 TAX EXEMPTION. The Issuer at all times while the Series 2010 Bonds and the interest thereon are outstanding will comply with the requirements of the Code to the extent necessary to preserve the exemption from federal income taxation of the interest on the Series 2010 Bonds. The chief financial officer of the Issuer, or his designee, is authorized to make or effect any election, selection, choice, consent, approval or waiver on behalf of the Issuer with respect to the Series 2010 Bonds as the Issuer is required to make or give under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or characterization of the Series 2010 Bonds or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties thereon, or making payments in lieu thereof, or obviating such amounts or payments, as determined by such officer, or his designee. Any action of such officer, or his designee, in that regard shall be in writing and signed by the officer, or his designee.

Furthermore, the Series 2010 Bonds are hereby designated "qualified tax-exempt obligations" under Section 265(b)(3)(B) of the Code.

SECTION 7.03 DELEGATION OF SALE AUTHORITY. Subject to the following conditions, an Authorized Officer is authorized to execute the Certificate of Award:

A. The interest rate for the Series 2010 Bonds shall be recommended by the financial advisor to the Issuer as

comparable to market interest rates on the date of sale, but not exceeding 4.10% per annum, and the amortization schedule for the Series 2010 Bonds shall be acceptable to the Finance Director of the Issuer.

B. Prior to award of the Series 2010 Bonds to the Bank, the Issuer shall receive disclosure and truth-in-bonding statements as required by Section 218.385, Florida Statutes.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

SECTION 8.01 MODIFICATION OR AMENDMENT. No adverse material modification or amendment of this Resolution or of any ordinance or resolution amendatory hereof or supplemental hereto may be made without the consent in writing of the Holder of the Series 2010 Bonds.

SECTION 8.02 SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2010 Bonds issued hereunder.

SECTION 8.03 DEFEASANCE. If, at any time, the Issuer shall have paid, or shall have made provision for the payment of, the principal, interest and prepayment premiums, if any, with respect to the Series 2010 Bonds, or any portion thereof, then, and in that event, the pledge of and lien on the Net Revenues in favor of the Bondholder shall be no longer in effect. For purposes of the preceding sentence, deposit of sufficient cash and/or principal and interest of Federal Securities in irrevocable trust with a banking institution or trust company, for the sole benefit of the Bondholder, to make timely payment of the principal, interest, and prepayment premiums, if any, on the outstanding Series 2010 Bonds, shall be considered "provision for payment."

SECTION 8.04 USE OF FUNDS FOR REFUNDED BONDS. An allocable portion of the money and investments in the funds and accounts established in the proceedings authorizing the issuance of the Refunded Bonds may be transferred to one or more of the corresponding Funds and Accounts established in this Resolution or the Original Resolution for the Series 2010 Bonds; or at the option of the Issuer, may be used for payment of the Refunded Bonds.

SECTION 8.05 GENERAL AUTHORITY. Any of the Authorized Officers are hereby authorized, in connection with the issuance and sale of the Series 2010 Bonds and the transactions specified in the Series 2010 Bond documents, to do all things and to take any and all actions on behalf of the Issuer; to execute and deliver the Series 2010 Bond documents (including, but not limited to, the Commitment (if required by the Bank) and the Certificate of Award); to provide disclosures concerning the Issuer; and to finalize and close the transactions specified in all such agreements or arrangements (including any amendments or

modifications thereof), including, without limitation, the execution and delivery of any and all documents and instruments deemed appropriate by any of such officers, and the making of any appropriate statements, representations, certifications and confirmations on behalf of the Issuer, and in their respective capacities as officers thereof, necessary, appropriate or convenient to effectuate and expedite the issuance and delivery of the Series 2010 Bonds, the consummation of the transactions specified by the Series 2010 Bond documents, and any and all of the covenants, agreements and conditions of the Issuer; the approval of the Issuer and all corporate power and authority for such actions to be conclusively evidenced by the execution and delivery thereof by any of such officers.

SECTION 8.06 REPEAL OF INCONSISTENT PROVISIONS. All resolutions or parts thereof in conflict with this Resolution are hereby repealed to the extent of such conflict.

SECTION 8.07 EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage.

ADOPTED after reading by title at a regular meeting of the City Commission of the City of Winter Park, Florida, held in City Hall, Winter Park, Florida, on this 13th day of December, 2010.

CITY OF WINTER PARK, FLORIDA

(SEAL)

By _____
Mayor

ATTESTED:

By _____
City Clerk

Exhibit A

**NOTICE OF CONDITIONAL REDEMPTION
CITY OF WINTER PARK, FLORIDA
WATER AND SEWER REVENUE BONDS, SERIES 2004**

NOTICE IS HEREBY GIVEN by the City of Winter Park, Florida (the "City"), that the outstanding Water and Sewer Revenue Bonds, Series 2004 (the "2004 Bonds"), dated and originally issued on August 18, 2004, CUSIP No. 976050CY8, maturing on December 1, 2034, and which are redeemable as a whole on December 23, 2010 (the "Redemption Date"), at the option of the City, at the redemption price of the principal amount of each 2004 Bond to be redeemed (the "Redemption Price"), together with interest accrued thereon to the date fixed for redemption, will be redeemed on the Redemption Date, subject to the condition described below.

Payment of the Redemption Price, plus accrued interest, of the 2004 Bonds will be made on the Redemption Date, at the office of The Bank of New York Mellon Trust Company, N.A., in Jacksonville, Florida. Interest on the 2004 Bonds being redeemed will cease to accrue from and after the Redemption Date.

Redemption of the 2004 Bonds is conditioned upon the issuance by the City of its Water and Sewer Refunding and Improvement Revenue Bonds, Series 2010, part of the proceeds of the sale of which will be used to finance the Redemption Price, plus accrued interest, on the 2004 Bonds.

Dated and mailed this ____ day of November, 2010.

CITY OF WINTER PARK, FLORIDA

By _____
Finance Director