

ORDINANCE NO. 2754-08

AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, AUTHORIZING THE REFUNDING OF ALL THE 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; PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING \$57,000,000 REVENUE BONDS AND/OR LEASE-PURCHASE OBLIGATIONS OF THE CITY TO BE APPLIED TO FINANCE THE COST THEREOF; PROVIDING FOR THE PAYMENT OF SUCH BONDS AND OBLIGATIONS FROM THE NET REVENUES DERIVED FROM THE WATER AND SEWER SYSTEM; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF WINTER PARK, FLORIDA:

SECTION 1. AUTHORITY. This ordinance is enacted 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 Resolution No. 1878-04 (the "Original Resolution") of the City Commission (the "Commission") of the City of Winter Park, Florida (the "City"); and other applicable provisions of law.

SECTION 2. FINDINGS. It is hereby ascertained, determined and declared that:

A. It is necessary and desirable to (1) refund all the outstanding Water and Sewer Revenue Bonds, Series 2004, of the City (the "2004 Bonds"), due to a reduction in the ratings associated with the municipal bond insurer for the 2004 Bonds and the turmoil and instability in the bond market for auction rate securities such as the 2004 Bonds and (2) to acquire and/or construct additions, extensions and improvements to the water and sewer system of the City (the "System"), all in accordance with plans and specifications now on file or to be on file with the City Clerk of the City; by the issuance of water and sewer revenue bonds and/or lease-purchase obligations of the City in an amount not exceeding \$57,000,000 (collectively, the "2008 Bonds").

B. If at the time of preparation for the pricing and sale of the 2008 Bonds, it is deemed necessary and desirable to issue the 2008 Bonds in traditional fixed rate mode, or in variable rate mode without an interest rate hedge, it may be advantageous for the City to terminate (1) the ISDA Master Agreement dated as of

April 28, 2004, and its related Schedule and Credit Support Annex of the same date, between the City and JPMorgan Chase Bank, N.A. ("JPMorgan"); (2) the Swap Transaction Confirmation dated as of April 28, 2004, and having an effective date of August 18, 2004, from JPMorgan; (3) the ISDA Master Agreement dated as of April 28, 2004, and its related Schedule and Credit Support Annex of the same date, between the City and Morgan Stanley Capital Services Inc. ("Morgan Stanley"); and (4) the Confirmation dated as of April 28, 2004, and having an effective date of August 18, 2004, from Morgan Stanley; all executed and delivered in anticipation of the issuance of the 2004 Bonds as Variable Rate Bonds (collectively, the "Swap"). Under those circumstances the termination payment, if any, due by the City under the Swap may be paid from part of the proceeds of the sale of the 2008 Bonds.

C. The City will be able to comply with the provisions of Section 16T of the Original Resolution prior to the issuance of the 2008 Bonds, in order that they may be issued as additional parity bonds.

SECTION 3. AUTHORIZATION OF BONDS. The issuance by the City of not exceeding \$57,000,000 Water and Sewer Refunding [and Improvement] Revenue Bonds, Series 2008 (herein the "2008 Bonds"), for the purposes above; to be dated, to be issued in one or more subseries installments as revenue bonds and/or as lease-purchase obligations (with appropriate name changes), to bear interest at a rate or rates (including variable rates) not exceeding the maximum legal rate per annum, to be payable, to mature, to be subject to redemption and to have such other characteristics as shall be provided by subsequent resolution or resolutions of the Commission prior to their delivery; and to be secured by a prior lien upon and pledge of the net revenues derived by the City from the System (the "Net Revenues"), on a parity with the lien thereon in favor of the holders of the outstanding Water and Sewer Revenue Bonds, Series 2002, of the City (the "2002 Bonds"), or a lien upon the Net Revenues, junior, subordinate and inferior to the lien thereon in favor of the holders of the 2002 Bonds and a subseries of the 2008 Bonds allocable to the refunding of the 2004 Bonds, as applicable; is hereby authorized. The Commission shall adopt a specific bond resolution or resolutions (including any necessary resolutions supplemental to the bond resolutions) supplemental to this ordinance, setting forth the maturities (or a mechanism for determining such maturities on or prior to the sale of the 2008 Bonds) and the fiscal details and other covenants and provisions necessary for the marketing, sale and issuance of the 2008 Bonds. In addition the bond resolution may authorize various interest

as circumstances dictate, in order to fully protect the rights of the holders of the 2008 Bonds. In the case of the issuance of any of the 2008 Bonds as additional parity bonds, and any inconsistency between the provisions of the Original Resolution and such bond resolution provisions for such 2008 Bonds, the provisions of such bond resolution shall control.

SECTION 4. REPEAL OF INCONSISTENT PROVISIONS. All ordinances, resolutions or parts thereof in conflict with this ordinance (including Ordinance No. 2742-08 of the City) are hereby repealed to the extent of such conflict.

SECTION 5. EFFECTIVE DATE. This ordinance shall take effect immediately upon its final passage and adoption.

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 10th day of November, 2008.



Mayor, David C. Strong

ATTEST:



City Clerk, Cynthia S. Bonham