

RESOLUTION NO. 2142-14

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA, SUPPLEMENTING ORDINANCE NO. 2953-14; AUTHORIZING THE ISSUANCE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$8,500,000 ELECTRIC REFUNDING REVENUE BOND, SERIES 2014 OF THE CITY FOR THE PURPOSE OF REFUNDING A PORTION OF THE CITY'S OUTSTANDING ELECTRIC REVENUE BONDS, SERIES 2005A AND TO PAY THE COSTS THEREOF; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT; PROVIDING FOR THE PAYMENT OF SUCH BOND FROM THE NET REVENUES DERIVED FROM THE ELECTRIC SYSTEM OF THE CITY; AUTHORIZING A NEGOTIATED SALE OF SUCH BOND; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Winter Park, Florida (the "City") previously issued its Electric Revenue Bonds, Series 2005A (the "2005A Bonds"); and

WHEREAS, the City Commission of the City (the "City Commission") has determined that it is necessary and desirable and in the best interest of the inhabitants of the City to refund a portion of the outstanding principal amount of the 2005A Bonds (such refunded portion, the "Refunded Bonds") in order to mitigate potential increases in short term variable interest rates; and

WHEREAS, pursuant to that certain Invitation to Tender dated April 22, 2014 (the "Invitation"), the City solicited offers from the Holders of the 2005A Bonds to tender their Bonds; and

WHEREAS, the City has determined to accept certain of the offers received pursuant to the Invitation and that it is necessary and desirable to borrow funds (the "Loan") to pay the purchase price of the 2005A Bonds being tendered; and

WHEREAS, the City has received four (4) proposals from financial institutions in response to the City's request for proposals; and

WHEREAS, the City upon the advice of its financial advisor, Public Financial Management has determined that the proposal from Pinnacle Public Finance, Inc. (the "Bank") to finance the costs of refunding the Refunded Bonds contains the terms and provisions that are most favorable for the City; and

WHEREAS, amounts due under the Bond will be evidenced by the issuance by the City of its City of Winter Park, Florida Electric Refunding Revenue Bond, Series 2014 (the "Bond"); and

WHEREAS, the debt service on the Bond shall be payable solely from and secured by the net revenues derived from the electric system of the City (the “Pledged Revenues”) on a parity with the City’s Electric Revenue Bonds, Series 2005A that remain outstanding, Electric Revenue Bonds, Series 2007, Electric Revenue Bonds, Series 2009A, Electric Revenue Bonds, Series 2009B and Electric Revenue Bonds, Series 2010 (collectively, the “Parity Bonds”); and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Resolution (as hereinafter defined); and

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

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 166, Parts I and II, Florida Statutes, as amended; Chapter 86, Article III, of the Code of Ordinances of the City, Ordinance No. 1898-05 adopted by the City on May 9, 2005 (the “Original Resolution”), Ordinance No. 2953-14 enacted by the City on March 10, 2014, Resolution No. 2138-14 adopted by the City on March 24, 2014; and other applicable provisions of law.

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

A. The WHEREAS clauses recited above are hereby incorporated herein as a part of this Resolution.

B. The City owns, operates and maintains the System and derives and will continue to derive Net Revenues from revenues, income or earnings from or attributable to its ownership and operation of the System. Such Net Revenues are not now pledged or encumbered in any manner except to the payment from such Net Revenues of the Parity Bonds.

C. Section 9.03U of the Original Resolution provides for the issuance of Additional Parity Bonds under the terms, limitations and conditions provided therein. The City will comply with such terms, limitations and conditions, on or prior to the date of delivery of the Bond, and is therefore legally entitled to issue the Bond as Additional Parity Bonds within the authorization contained in the Original Resolution.

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

E. It is in the public interest and a valid and proper public purpose to refund the Refunded Bonds.

F. The Bank’s proposal to provide the Loan to the City in an amount not to exceed \$16,000,000 at the terms set forth therein is the best proposal to provide financing for refunding the Refunded Bonds.

G. The Pledged Revenues shall be used to pay principal of and interest on the Bond and any other amounts due under the Loan Agreement (as defined herein) or the Bond on a parity with the Parity Bonds.

H. Because of the characteristics of the security pledged to repay the Loan, prevailing conditions in the financial markets, reduced upfront costs of issuance and additional savings to be realized from an expeditious sale of the Bond, it is in the best interest of the City to accept the offer of the Bank to enter into the Loan Agreement and purchase the Bond at a private negotiated sale. Prior to the issuance of the Bond, the City shall receive from the Bank a Lender's Certificate, the form of which is attached hereto as Exhibit A and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, the form of which is attached hereto as Exhibit B.

I. In consideration of the purchase and acceptance by the Bank of the Bond authorized to be issued hereunder, this Resolution, together with the terms and provisions of the Loan Agreement, shall constitute a contract between the City and the Bank.

SECTION 3. AUTHORIZATION OF LOAN AGREEMENT. To provide for the security of the Bond and to express the contract between the City and the Bank, the City does hereby authorize the execution and delivery on behalf of the City by the Mayor or Vice Mayor under the seal of the City, attested by the City Clerk, of the Loan Agreement by and between the City and the Bank (the "Loan Agreement"). The Loan Agreement shall be in substantially the form attached hereto and marked Exhibit C and is hereby approved, with such changes, amendments, modifications, omissions and additions as may be approved by the execution and delivery thereof to be conclusive evidence of such approval. Subject and pursuant to the provisions of this Resolution and the terms and provisions of the Loan Agreement, there is hereby authorized to be issued the Bond to evidence the City's obligations under the Loan Agreement. The Bond is authorized to be issued in the principal amount not to exceed \$8,500,000 and subject to the provisions of Section 4 hereof.

SECTION 4. AUTHORIZATION OF THE BOND. There is hereby authorized to be issued the "City of Winter Park, Florida Electric Refunding Revenue Bond, Series 2014," (the "Bond") in an aggregate principal amount not to exceed Eight Million Five Hundred Thousand Dollars (\$8,500,000), which Bond shall secure amounts outstanding under the Loan Agreement and will be repaid in accordance with the terms of the Loan Agreement. The Interest Rate on the Bond shall not exceed 2.84% (subject to adjustment pursuant to the terms of the Loan Agreement) and the Maturity Date shall be not later than October 1, 2033. The Bond shall be executed on behalf of the City with the manual signature of the Mayor or Vice Mayor, and attested by the manual signature of the City Clerk and the official seal of the City. In case any one or more of the officers who shall have signed or sealed the Bond shall cease to be such officer of the City before the Bond so signed and sealed has been actually sold and delivered, such Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bond had not ceased to hold such office. The Bond may be signed and sealed on behalf of the City by such person who at the actual time of the execution of such Bond shall hold the proper office of the City, although, on the date of delivery of such Bond, such person may not have held such office or may not have been so authorized.

SECTION 5. USE OF PROCEEDS. The proceeds of the Bond shall be used to (i) pay the purchase price of the 2005A Bonds being tendered, resulting in the refunding of the Refunded Bonds and (ii) pay the costs and expenses associated with issuing the Bond. The Bond will not be secured by any reserve account.

SECTION 6. APPLICATION OF PROVISIONS OF ORIGINAL RESOLUTION. Except as may be provided in the Original Resolution, the Bond shall for all purposes be considered to be Additional Parity Bonds issued under the authority of the Original Resolution; and (b) shall be entitled to all the protection, security, rights and privileges enjoyed by the Parity Bonds.

SECTION 7. GENERAL AUTHORIZATION. The Mayor, Vice Mayor, City Manager, Director of Electric Utilities, Finance Director and any member of the City Commission, the City Clerk and such other officials and employees of the City as may be designated by the City are each designated as agents of the City in connection with the issuance and delivery of the Bond and are authorized and empowered, collectively or individually, to take all actions and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the execution and delivery of the Bond, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

SECTION 8. PREREQUISITES PERFORMED. The City has performed all acts, conditions, and things relating to the passage of this Resolution as are required by the Constitution and Laws of the State of Florida, and the Ordinances and Resolutions of the City.

SECTION 9. APPLICABLE PROVISIONS OF LAW. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 10. RULES OF INTERPRETATION. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

SECTION 11. CAPTIONS. The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

SECTION 12. MEMBERS OF THE CITY COMMISSION EXEMPT FROM PERSONAL LIABILITY. No recourse under or upon any obligation, covenant or agreement of this Resolution, the Loan Agreement or the Bond or for any claim based thereon or otherwise in respect thereof, shall be had against any member of the City Commission, as such, of the City, past, present or future, either directly or through the City it being expressly understood (a) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the members of the City Commission, as such, under or by reason of the obligations, covenants or agreements contained in this Resolution, the Loan Agreement or the Bond or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or

statute, of, and any and all such rights and claims against, every such member of the City Commission, as such, are waived and released as a condition of, and as a consideration for, the execution of this Resolution and the Loan Agreement and the issuance of the Bond, on the part of the City.

SECTION 13. REPEALER. All ordinances and/or resolutions or parts thereof in conflict with any of the provisions of this Resolution, if any, are hereby repealed.

SECTION 14. NO THIRD PARTY BENEFICIARIES. Except such other persons as may be expressly described in this Resolution, nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person, other than the City and the holders of the Bond, any right, remedy or claim, legal or equitable, under and by reason of this Resolution, or any provision thereof, all provisions thereof being intended to be and being for the sole and exclusive benefit of the City and the persons who shall from time to time be the holders of the Bond.

SECTION 15. SEVERABILITY. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

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SECTION 16. EFFECTIVE DATE. The provisions of this Resolution shall take effect immediately upon its 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 9th day of June, 2014.

CITY OF WINTER PARK, FLORIDA

(SEAL)

By Kenneth W. Bradley
Mayor Kenneth W. Bradley

ATTESTED:

By Cynthia S. Bonham
City Clerk Cynthia S. Bonham, MMC

EXHIBIT A
FORM OF LENDER'S CERTIFICATE

This is to certify that Pinnacle Public Finance, Inc. (the "Bank") has not required the City of Winter Park, Florida (the "City") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the City in connection with the issuance by the City of its Electric Refunding Revenue Bond, Series 2014 (the "Bond") securing amounts due to the Bank relating to the loan from the Bank in the amount of \$[_____] (the "Loan") pursuant to a Loan Agreement dated as of June 13, 2014 by and between the City and the Bank (the "Loan Agreement"), and no inference should be drawn that the Bank, in the acceptance of said Bond, is relying on Bryant Miller Olive P.A. ("Bond Counsel"), Brown, Garganese, Weiss & D'Agresta P.A. ("City Attorney") or Public Financial Management (the "Financial Advisor") as to any such matters other than the legal opinions rendered by Bond Counsel and by the City Attorney. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in the Loan Agreement.

We acknowledge and understand that Resolution No. 2138-14 adopted by the City Commission of the City on June 9, 2014 (the "Resolution") is not being qualified under the Trust Indenture Act of 1939, as amended, and is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the City, Bond Counsel, the City Attorney nor the Financial Advisor shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary and are funding the Loan with our own capital and for our own account and not with a present view to a resale or other distribution to the public. We understand that the Loan is evidenced by the Bond and the Bond is issued in a single denomination equal to the principal amount due under the Loan and may be transferred in whole or in part but not in denominations less than \$100,000. The Bond will be sold only to (i) an affiliate of the Bank (or subsequent owner of the Bond) or (ii) banks, insurance companies, or similar financial institutions or their affiliates, including pursuant to participation arrangements with or among such entities, and may not result in more than 10 holders of the interests in the Bond.

We are not funding the Loan for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

We acknowledge and understand that there will be no CUSIP number obtained for the Loan or the Bond and no credit rating will be obtained on the Bond.

In connection with the potential purchase of the Bond, the Bank is acting solely as purchaser of the Bond for its own account (without a present intent to reoffer) and not as a fiduciary for the City or in the capacity of broker dealer, municipal securities underwriter or municipal advisor. Neither the Bank nor any of its affiliates has provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of the City with respect to the proposed issuance of the Bond. The City has sought and obtained financial, legal, tax,

accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the proposed issuance of the Bond from its financial, legal and other advisors (and not the Bank or any of its affiliates) to the extent that the City desired to obtain such advice.

DATED this 13th day of June, 2014.

PINNACLE PUBLIC FINANCE, INC.

By: _____
Name: Cathleen Jimenez
Title: Managing Director and Senior Vice President

EXHIBIT B
FORM OF DISCLOSURE LETTER

The undersigned, as purchaser, proposes to negotiate with the City of Winter Park, Florida (the "City") for the purchase of the City's Electric Refunding Revenue Bond, Series 2014 (the "Bond") securing amounts due under a Loan Agreement by and between Pinnacle Public Finance, Inc. (the "Bank") and the City in a principal amount of \$[_____] (the "Loan Agreement"). Prior to the award of the Bond, the following information is hereby furnished to the City:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to the Bank in connection with the issuance of the Bond (such fees and expenses to be paid by the City):

Chapman and Cutler LLP
Bank's Counsel -- \$4,000

2. (a) No fee, bonus or other compensation is estimated to be paid by the Bank in connection with the issuance of the Bond to any person not regularly employed or retained by the Bank (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes).

(b) No person has entered into an understanding with the Bank, or to the knowledge of the Bank, with the City, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Bank or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Bond.

3. The amount of the underwriting spread expected to be realized by the Bank is \$0.

4. The management fee to be charged by the Bank is \$0.

5. Truth-in-Bonding Statement:

The Bond is being issued primarily to refund certain prior bonds of the City.

Unless earlier redeemed, the Bond is expected to be repaid by October 1, 2033. At a fixed rate of interest of [2.84%], total interest paid over the life of the Bond is estimated to equal \$[_____].

The Bond will be payable solely from the Pledged Revenues, as defined in the Loan Agreement, in a manner sufficient to pay the principal of and interest due on the Bond, as described in Resolution No. 2138-14 of the City adopted on June 9, 2014 and the Loan Agreement. Issuance of the Bond is estimated to result in a maximum of approximately \$[_____] of Pledged Revenues of the City not being available to finance the services of the City in any one year during the life of the Bond.

6. The name and address of the Bank is as follows:

Pinnacle Public Finance, Inc.
8377 E. Hartford Drive
Suite 115
Scottsdale, Arizona 85255

This Disclosure Letter is for informational purposes only and shall not affect or control the actual terms and conditions of the Loan Agreement or the Bond.

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Bank this 13th day of June, 2014.

PINNACLE PUBLIC FINANCE, INC.

By: _____
Name: Cathleen Jimenez
Title: Managing Director and Senior Vice President

EXHIBIT C
FORM OF LOAN AGREEMENT