

RESOLUTION NO. 2198-17

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA, SUPPLEMENTING ORDINANCE NO. 3095-17 OF THE CITY WHICH AUTHORIZED THE ADVANCE REFUNDING OF ITS OUTSTANDING WATER AND SEWER REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2009, OF THE CITY, AND PROVIDED FOR THE ISSUANCE OF NOT EXCEEDING \$36,000,000 WATER AND SEWER REFUNDING REVENUE BOND, SERIES 2017, OF THE CITY, AND PROVIDED FOR THE PAYMENT OF SUCH BONDS FROM THE NET REVENUES DERIVED FROM THE SYSTEM; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AUTHORIZING A NEGOTIATED SALE OF SAID BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT; APPOINTING A PAYING AGENT, BOND REGISTRAR AND ESCROW AGENT; APPOINTING A VERIFICATION AGENT; APPROVING THE FORM OF AN ESCROW DEPOSIT AGREEMENT; AUTHORIZING PFM ASSET MANAGEMENT LLC TO STRUCTURE AND SOLICIT BIDS TO PURCHASE FEDERAL SECURITIES TO BE DEPOSITED INTO THE ESCROW FUND CREATED UNDER THE ESCROW DEPOSIT AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Winter Park, Florida (the "City") previously issued its Water and Sewer Refunding and Improvement Revenue Bonds, Series 2009 (the "2009 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 advance refund the outstanding principal amount of the 2009 Bonds (such refunded bonds, the "Refunded Bonds"); and

WHEREAS, the City has determined that it is necessary and desirable to borrow funds to advance refund the 2009 Bonds and pay the costs of issuance related thereto (the "Loan"), and received proposals from a number of financial institutions in response to the City's request for proposals; and

WHEREAS, the City hereby determines, based on recommendations from Public Financial Management, Inc., the City's financial advisor (the "Financial Advisor"), and City staff, that the proposal from Raymond James Capital Funding, Inc. (the "Lender") dated November 27, 2017 (the "Proposal") contains the terms and provisions that are most favorable for the City; and

WHEREAS, amounts due under the Loan will be evidenced by the City's Water and Sewer Refunding Revenue Bond, Series 2017 (the "Bond") authorized herein; and

WHEREAS, the debt service on the Bond shall be payable solely from and secured by the Net Revenues derived from the water and sewer system of the City (the "Pledged Revenues") on a parity with the City's outstanding Water and Sewer Refunding and Improvement Revenue Bond, Series 2010 and its Water and Sewer Refunding Revenue Bonds, Series 2011 (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, Resolution No. 1878-04 adopted by the City on August 9, 2004 (the "Original Resolution"), Ordinance No. 3095-17 enacted by the City on December 11, 2017 (the "Bond Ordinance"), 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 rates, fees, rentals and other charges made and collected for the servicing 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.

C. Section 16.T of the Original Resolution provides for the issuance of Additional Parity Obligations 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 Obligations within the authorization contained in the Original Resolution.

D. The Bond 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 and shall constitute Obligations under the Original Resolution. The covenants of the Original Resolution shall apply to the Bond to the extent applicable.

E. The principal of and interest on the Bond and all required Amortization Installments and other payments shall be payable solely from the Net Revenues as provided herein and in the Original Resolution. The Bond shall not constitute a general obligation or

indebtedness of, or a pledge of the faith, credit or taxing power of, the City or of the State of Florida or any agency or political subdivision thereof. Neither the City 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 Bond or to make any of the Amortization Installments, or other payments required by this Resolution, the Original Resolution or the Bond; and the Bond shall not constitute a lien upon the System or any other property owned by or situated within the corporate territory of the City.

F. The Bond shall not be secured by the Reserve Account or any subaccount previously established therein which secures the outstanding Parity Bonds, and there shall be no Reserve Account requirement with respect to the Bond.

G. The estimated Net Revenues will be sufficient to pay all principal of and interest on the Bond and the outstanding Parity Bonds, as the same become due, and to make all Amortization Installments or other payments required by this Resolution and the Original Resolution.

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

I. The Lender's proposal to provide the Loan to the City in an amount not to exceed \$36,000,000 at the terms set forth therein is the best proposal to provide financing for refunding the Refunded Bonds.

J. 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.

K. 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 Lender 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 Lender 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.

L. A portion of the proceeds derived from the sale of the Bond, together with other legally available moneys, if any, of the City, shall be deposited to a special escrow deposit fund to purchase Federal Securities which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein and in the Escrow Deposit Agreement by and between the City and The Bank of New York Mellon Trust Company, as Escrow Agent, dated the date thereof (the "Escrow Agreement").

M. In consideration of the purchase and acceptance by the Lender 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 Lender.

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 Lender (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 \$36,000,000 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 Water and Sewer Refunding Revenue Bond, Series 2017," (the "Bond") in an aggregate principal amount not to exceed Thirty-Six Million Dollars (\$36,000,000), which Bond shall secure amounts outstanding under the Loan Agreement and will be repaid in accordance with the terms of the Loan Agreement and the Bond. The Interest Rate on the Bond shall not exceed 2.60% (subject to adjustment pursuant to the terms of the Loan Agreement), the Maturity Date shall be not later than December 1, 2034, and a net present value debt service savings of not less than 5.00% of Refunded Bonds par amount shall be achieved. 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. APPROVAL OF ESCROW DEPOSIT AGREEMENT. The City hereby authorizes the Mayor to execute and the Clerk to attest the Escrow Deposit Agreement and to deliver the Escrow Deposit Agreement to The Bank of New York Mellon Trust Company, N.A. which is hereby appointed as Escrow Agent thereunder. The Escrow Deposit Agreement shall be in substantially the form

attached hereto as Exhibit D, with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Deposit Agreement, as may be approved by the Mayor. Execution by the Mayor of the Escrow Deposit Agreement shall be deemed to be conclusive evidence of the approval of such changes.

SECTION 6. APPOINTMENT OF PAYING AGENT AND BOND REGISTRAR, AND VERIFICATION AGENT. The City shall be the Bond Registrar and Paying Agent for the Bond. Integrity Public Finance Consulting LLC is hereby designated as Verification Agent in connection with the refunding of the Refunded Bonds. The Mayor, the City's Finance Director or City Manager are each hereby authorized to enter into any agreement with the Verification Agent which may be necessary to effect the transactions contemplated by this Resolution.

SECTION 7. PURCHASE OF FEDERAL SECURITIES TO BE DEPOSITED INTO THE ESCROW FUND. The City hereby authorizes PFM Asset Management LLC to structure and bid the escrow requirements in order to have sufficient funds to purchase Federal Securities to be deposited into the escrow fund established under the Escrow Agreement and used as described therein to advance refund the Refunded Bonds. The City authorizes the payment of any bidding fees in connection with such bidding.

SECTION 8. USE OF PROCEEDS. The proceeds of the Bond shall be used to (i) advance refund 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 9. APPLICATION OF PROVISIONS OF ORIGINAL RESOLUTION. Subject to the following exception, the Bond 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 Bond and no Holder of the Bond shall have any right to receive the payment of, principal of, prepayment premium or interest on the Bond from the Reserve Account.

SECTION 10. GENERAL AUTHORIZATION. The Mayor, Vice Mayor, City Manager, 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 11. 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 12. APPLICABLE PROVISIONS OF LAW. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 13. 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 14. 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 15. 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 City official, officer or employee or 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, any City official, officer or employee or 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, any City official, officer or employee or 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 16. REPEALER. All resolutions or parts thereof in conflict with any of the provisions of this Resolution, if any, are hereby superseded and repealed to the extent of the conflict.

SECTION 17. 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 18. 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 19. 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 11th day of December, 2017.

CITY OF WINTER PARK, FLORIDA

(SEAL)

By  _____
Steve Leary, Mayor

ATTESTED:

By  _____
Cynthia S. Bonham, City Clerk

EXHIBIT A
FORM OF LENDER'S CERTIFICATE

This is to certify that Raymond James Capital Funding, Inc. (the "Lender") 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 Water and Sewer Refunding Revenue Bond, Series 2017 (the "Bond") securing amounts due to the Lender relating to the loan from the Lender in the amount of \$[_____] (the "Loan") pursuant to a Loan Agreement dated as of December 19, 2017 by and between the City and the Lender (the "Loan Agreement"), and no inference should be drawn that the Lender, in the acceptance of said Bond, is relying on Bryant Miller Olive P.A. ("Bond Counsel"), Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP ("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. [____]-17 adopted by the City Commission of the City on December 11, 2017 (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 Lender (or subsequent owner of the Bond) or (ii) banks, insurance companies, or similar financial institutions or their affiliates.

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.

Neither the Lender nor any of its affiliates shall act as a fiduciary for the City or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor with respect to the proposed issuance of the Bond. Neither the Lender 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 represented to the Lender that it 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 Lender or any of its affiliates) to the extent that the City desired to obtain such advice. We understand that the City has retained Public Financial Management, Inc. as its financial advisor.

We are an "accredited investor" as such term is defined in the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this 19th day of December, 2017.

RAYMOND HAMES CAPITAL FUNDING, INC.

By: _____

Name:

Title:

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 Water and Sewer Refunding Revenue Bond, Series 2017 (the "Bond") securing amounts due under a Loan Agreement by and between Raymond James Capital Funding, Inc. (the "Lender") 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 Lender in connection with the issuance of the Bond (such fees and expenses to be paid by the City):

GrayRobinson, P.A.
Lender's Counsel -- \$12,500

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

(b) No person has entered into an understanding with the Lender, or to the knowledge of the Lender, 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 Lender 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 Lender is \$0.

4. The Lender is making the Loan to the City at a discount of 0.25% of the par amount of the Loan to be treated as original issue discount for Federal income tax purposes.

5. The management fee to be charged by the Lender is \$0.

6. 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 December 1, 2034. At a fixed rate of interest of 2.60%, total interest paid over the life of the Bond is estimated to equal \$[_____].

The Bond will be payable solely from the Pledged Revenues, in a manner sufficient to pay the principal of and interest due on the Bond, as defined and described in Resolution No.

[]-17 of the City adopted on December 11, 2017 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.

7. The name and address of the Lender is as follows:

Raymond James Capital Funding, Inc.
710 Carillon Parkway
St. Petersburg, FL 33716 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 Lender this 19th day of December, 2017.

RAYMOND JAMES CAPITAL FUNDING, INC.

By: _____

Name:

Title:

EXHIBIT C
FORM OF LOAN AGREEMENT

EXHIBIT D

FORM OF ESCROW DEPOSIT AGREEMENT