



**CITY OF TAMARAC**  
**NOTICE OF WORKSHOP MEETING**  
**CITY COMMISSION OF TAMARAC, FL**  
**City Hall - Conference Room 105**  
**October 10, 2016**

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**CALL TO ORDER:**

**9:30 a.m.**

**ROLL CALL:**

**PLEDGE OF ALLEGIANCE:**

**Vice Mayor Diane Glasser**

**1. TR12859 - Master Utility System Bond Resolution**

Item No. 6 (c) on the Consent Agenda (TR12859) A Resolution amending and restating Resolution No. R-2009-96 in its entirety; Authorizing the Issuance of not to exceed \$22,000,000 Utility System Refunding Revenue Bonds, Series 2016A for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009 and Financing the cost of improvements to the City's Utility system, and paying costs related thereto; and authorizing the issuance of not to exceed \$5,000,000 Utility System Refunding Revenue Bonds, Series 2016B (Taxable) for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009, and paying costs related thereto; pledging certain net revenues of the Utility System for the payment of such bonds; providing for the rights of the holders of such bonds; making other covenants and agreements in connection therewith; and providing for an effective date. - ***Financial Services Director Mark Mason, Larson Consulting Services, LLC President Jeffrey T. Larson and Bond Counsel Dwayne Draper***

Commission District(s): Citywide

**2. TR12860 - Utility System Refunding Revenue Bonds, Series 2016A and Series 2016B (Taxable)**

Item No. 6 (d) on the Consent Agenda. (TR12860) A Resolution supplementing a Resolution adopted on even date herewith authorizing the issuance of not to exceed \$22,000,000 Utility System Refunding Revenue Bonds, Series 2016A for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009 and financing the cost of improvements to the City's utility system, and paying costs related thereto, and authorizing the issuance of not to exceed \$5,000,000 Utility System Refunding Revenue Bonds, Series 2016B (taxable) for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009, and paying costs related thereto, subject to the satisfaction of certain conditions contained herein and subject to the terms and conditions of a Bond Purchase Agreement; approving the form of the Bond Purchase Agreement, Preliminary Official Statement, Disclosure Dissemination Agent Agreement and Escrow Deposit Agreement; authorizing the execution and delivery of a Bond Purchase Agreement, Final Official Statement, Disclosure Dissemination Agent Agreement and Escrow Deposit Agreement; appointing a Paying Agent, Registrar and Escrow Agent; delegating to the Mayor and City Manager to award the sale of the

bonds to the Underwriter named herein pursuant to a negotiated sale and subject to the conditions and terms set forth herein and in the Bond Purchase Agreement; authorizing other required actions; and providing for severability and an effective date. - **Financial Services Director Mark Mason, Larson Consulting Services, LLC President Jeffrey T. Larson and Bond Counsel Dwayne Draper**

Commission District(s): Citywide

**3. TR12853 - Execution of Agreement with AMPS, Inc. for the Raw Well Rehabs at the WTP Project**

Item No. 6 (f) on the Consent Agenda. (TR12853) A Resolution of the City Commission of the City of Tamarac, Florida, authorizing the appropriate City Officials to accept and execute a Purchase Order Agreement between the City of Tamarac and Aquifer Maintenance & Performance Systems, Inc. (AMPS, Inc.), utilizing pricing from an agreement obtained through a formal competitive process by Martin County Utilities, Contract RFB Number 2012-2540 for an amount not to exceed \$210,253.60 for the rehabilitation of eight (8) raw water wells at the Water Treatment Plant; a contingency of 10% or \$21,025.36 will be added to the project account for a total amount of \$231,278.96; authorizing the appropriate City Officials to administer the contract; providing for conflicts; providing for severability; and providing for an effective date. - **Assistant Director of Utilities James Moore**

Commission District(s): Citywide

**4. TO2350 - Commencement of Term**

Item No. 8 (a) on Ordinance(s) First Reading. (TO2350) An Ordinance of the City Commission of the City of Tamarac, Florida amending Chapter 2 of the City's Code of Ordinances, entitled "City Commission" by amending Article II, Section 2-27, entitled "Commencement of Term," to amend the date of the commencement of terms for duly elected municipal officers; providing for codification; providing for conflicts; providing for severability; and providing for an effective date. - **City Clerk Patricia Teufel**

The City Commission may consider and act upon such other business as may come before it. In the event this agenda must be revised, such revised copies will be available to the public at the City Commission meeting.

Pursuant to Chapter 286.0105, Florida Statutes, if a person decides to appeal any decision made by the City Commission with respect to any matter considered at such meeting or hearing, he may need to ensure that a verbatim record of the proceedings is made which record includes the testimony and evidence upon which the appeal is based.

The City of Tamarac complies with the provisions of the Americans with Disabilities Act. If you are a disabled person requiring any accommodations or assistance, please notify the City Clerk's Office at (954) 597-3505 of such need at least 48 hours (2 days) in advance. Additionally, if you are hearing or speech impaired and need assistance, you may contact the Florida Relay Service at either of the following numbers: 1-800-955-8770 or 1-800-955-8771.



Patricia Teufel, CMC  
City Clerk



**Title - 9:30 a.m.**

9:30 a.m.



**Title - Vice Mayor Diane Glasser**

Vice Mayor Diane Glasser



## **Title - TR12859 - Master Utility System Bond Resolution**

Item No. 6 (c) on the Consent Agenda (TR12859) A Resolution amending and restating Resolution No. R-2009-96 in its entirety; Authorizing the Issuance of not to exceed \$22,000,000 Utility System Refunding Revenue Bonds, Series 2016A for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009 and Financing the cost of improvements to the City's Utility system, and paying costs related thereto; and authorizing the issuance of not to exceed \$5,000,000 Utility System Refunding Revenue Bonds, Series 2016B (Taxable) for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009, and paying costs related thereto; pledging certain net revenues of the Utility System for the payment of such bonds; providing for the rights of the holders of such bonds; making other covenants and agreements in connection therewith; and providing for an effective date. - ***Financial Services Director Mark Mason, Larson Consulting Services, LLC President Jeffrey T. Larson and Bond Counsel Dwayne Draper***

Commission District(s):

Citywide

### **ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
▣ TR# 12859 Master Utility System Bond Memo	9/30/2016	Cover Memo
▣ TR# 12859 Master Utility System Bond Master Reso	9/30/2016	Resolution
▣ TR# 12859 Master Utility System Bond Attachment	9/30/2016	Backup Material

**CITY OF TAMARAC**  
**INTEROFFICE MEMORANDUM**  
**FINANCE DEPARTMENT**  
**ADMINISTRATION DIVISION**

**TO: Michael C. Cernech**  
**City Manager**

**DATE: September 30, 2016**

**FROM: Mark C. Mason,**   
**Director of Financial Services**

**RE: TR# 12859 Master Utility**  
**System Bond Resolution, as**  
**Amended and Restated**

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**Recommendation:**

I recommend placing TR# 12859 Master Utility System Bond Resolution, Amending and Restating Resolution R-2009-96 in its entirety on the October 11, 2016 agenda for approval.

**Issue:**

Temporary Resolution TR# 12859 Master Utility System Bond Resolution, Amending and Restating Resolution R-2009-96 in its entirety Amends certain sections of the Master Resolution to modernize certain bond covenants to provide flexibility to the City in the future.

**Background:**

On July 22, 2009, the City Commission approved Resolution R-2009-96, Master Utility System Bond Resolution. The purpose of the Master Utility System Bond Resolution is to set the terms and conditions for all future debt issues for the City of Tamarac's Utility System.

Specifically, the Master Utility System Bond Resolution provides how bonds can be issued, delineates the flow of funds for future debt issues, provides for definitions, provides for covenants of the issuer (the City of Tamarac), includes default provisions, terms and conditions of amendments to the resolution, provides for different types of bonds that can be issued, etc.

City staff reviewed the existing Master Resolution and recommends correcting and modernizing the covenants to the resolution as well as providing flexibility to the City in the future.

The follow revisions are included in the amended and restated resolution:

- Section 20(B)(5) Disposition of Revenues – provides for the transfers of the Payment in Lieu of Taxes (PILOT) to the General Fund on a monthly basis of up ten percent (10%) of gross revenues. The City has had a PILOT in place for many years. When R-2009-96 was drafted, the PILOT language was not included and should be so this amendment will include this correction. PILOT represents estimated tax revenue if the utility system was a private utility. This is a common practice in utilities. It should be noted that the PILOT is currently at 6% and is included in the Financial Policies the City Commission adopts annually as part of the City's Annual Budget Ordinance.

- Section 20(B)(6) Disposition of Revenues – this section provides that any money remaining after all payments have been made for debt service, operations, etc. pursuant to this resolution, then so long as the amount on deposit in the Surplus fund (reserves) exceeds \$5,000,000, then the City may make an interfund loan or loans for purposes of financing the City's various non-System capital improvements to the extent permitted by law and approved by the City Commission, following a recommendation of the City Manager and Financial Services Director, and only if all current payments, including any deficiencies for prior payments, have been made in full and the City is in full compliance with all the covenants and provisions of the Master Utility System Bond Resolution.
- Section 20(F) – Books and Accounts; Audit – changed the date for completion of the audit from 210 days to 270 days. This change was made to coincide with Florida statutes regarding the completion and submission of audits to the State.
- Sections 20(I) and 20(J), No Free Service and Mandatory Cut Off, respectively, added language that states 'to the extent permitted by law'. This was added to modernize the language and reflect that condominium complexes with common areas and single meter provision of services provide unique challenges in adhering to these covenants.
- Section 20(L) Operating Budget – adds language that provides for electronic copies of the operating budget but if not available, then upon reasonable request, a paper copy will be provided to holder of bonds. This is to modernize the language.
- Section 27 – Utility Cost Containment Bonds - Adds a section for a new bond option provided by statute called Utility Cost Containment Bonds. These bonds can only be issued by a group of governments that have entered into an interlocal agreement. The key for these type bonds is that the 'utility project charge' to pay off the bonds that is included on the customer's bills would not be included in the revenue of the utility system and not subject to the terms and conditions of this Master Utility System Bond Resolution.
- Section 40 – Effective Date – This Resolution shall become effective upon such time as (i) its adoption, (ii) the Issuer is in receipt of written consent of the 2009 Insurer, and (iii) the Issuer is in receipt of evidence of 51% Bondholder consent. The City has received the consent of the insurer of the 2009 bonds for these modifications to the Master Utility System Bond Resolution however, if 100% of the 2009 bonds are not refunded, then the City will be required to obtain consent of 51% of the bondholders before these changes go into effect. However, if 100% of the bonds are refunded then the Insurers Consent and the consent of the bondholders are no longer needed.

The attached blackline version TR 12859 (Attachment 1) provides for all changes including the major changes above. The recommended changes to the covenants not only modernize the covenants but will provide the City flexibility in the future.

**Fiscal Impact:**

There is no fiscal impact associated with the resolution. This resolution is directly tied to TR 12860, which is the issuance of the 2016A and 2016B Utility Revenue Refunding Bonds and the cost of amending this resolution is included in the cost of the debt issuance included in TR 12860.

Attachment



**MASTER UTILITY SYSTEM BOND RESOLUTION**

**RESOLUTION NO. R-2009-96, AS AMENDED AND RESTATED IN ITS ENTIRETY BY  
RESOLUTION NO. R-2016-\_\_**

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CITY OF TAMARAC, FLORIDA  
RESOLUTION NO. R-2016-\_\_

A RESOLUTION AMENDING AND RESTATING RESOLUTION NO. R-2009-96 IN ITS ENTIRETY; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$22,000,000 UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2016A FOR THE PURPOSE OF REFUNDING A PORTION OF THE OUTSTANDING CITY OF TAMARAC, FLORIDA UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 AND FINANCING THE COST OF IMPROVEMENTS TO THE CITY'S UTILITY SYSTEM, AND PAYING COSTS RELATED THERETO; AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$5,000,000 UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2016B (TAXABLE) FOR THE PURPOSE OF REFUNDING A PORTION OF THE OUTSTANDING CITY OF TAMARAC, FLORIDA UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2009, AND PAYING COSTS RELATED THERETO; PLEDGING CERTAIN NET REVENUES OF THE UTILITY SYSTEM FOR THE PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Tamarac, Florida (the "Issuer") previously adopted Resolution No. R-2009-96 on July 22, 2009 (the "Original Resolution"); and

WHEREAS, the Issuer then issued \$14,020,000 of its Utility System Refunding Revenue Bonds, Series 2009 (the "Series 2009 Bonds") to refinance certain indebtedness and to finance the costs of improvements to the System (as such term is hereinafter defined) pursuant to the Original Resolution; and

WHEREAS, all of such Series 2009 Bonds are insured by a financial guaranty insurance policy issued by Assured Guaranty Corp. (the "2009 Insurer"); and

WHEREAS, the Issuer desires to make certain amendments to the Original Resolution; and

WHEREAS, in accordance with Section 23 of the Original Resolution, attached hereto as Exhibit A, the Issuer has obtained the prior written consent of the 2009 Insurer and by purchase of the Series 2016 Bonds, the Series 2016 Bondholders shall be deemed to have consented to the amendments included within this Resolution which amends and restates the Original Resolution,

which amendments shall become effective upon the later of receipt of prior written consent of the 2009 Insurer and consent of at least 51% of the Holders of Bonds then Outstanding, which is expected to occur not later than the issuance of the Series 2016 Bonds.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TAMARAC, FLORIDA:

Section 1. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 159, Florida Statutes, Part I, Chapter 166, Part II, Florida Statutes, the municipal charter of the City of Tamarac, Florida, and other applicable provisions of law (collectively, the "Act") and the Original Resolution.

Section 2. Definitions. Unless the context otherwise requires, the terms used in this Resolution shall have the meanings specified in this Section 2. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

"Acquired Obligations" shall mean cash, direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, Refcorp interest strips, CATS, TIGRS, STRPS, defeased municipal bonds rated AAA by S&P or Aaa by Moody's (or any combination thereof) or direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank, certificates of beneficial ownership of the Farmers Home Administration, obligations of the Federal Financing Bank, participation certificates of the General Services Administration, Guaranteed Title XI financings of the U.S. Maritime Administration and project notes of the U.S. Department of Housing and Urban Development.

With respect to any Series of Bonds, the definition of Acquired Obligations set forth above may be further limited as set forth in a Supplemental Resolution of the Issuer adopted prior to the issuance of such Bonds.

"Additional Parity Obligations" shall mean additional obligations issued or incurred in compliance with the terms, conditions and limitations contained herein and which (i) shall have a lien on the Pledged Revenues equal to that of the Outstanding Bonds and any Parity Contract Obligations, (ii) shall be payable from the Pledged Revenues on a parity with the Outstanding Bonds and any Parity Contract Obligations, and (iii) shall rank equally in all other respects with the Outstanding Bonds and any Parity Contract Obligations.

"Amortization Installment" shall mean an amount designated as such by Supplemental Resolution of the Issuer and established with respect to any Term Bonds.

"Average Annual Bond Service Requirement" shall mean, as of each date on which a Series of Bonds is issued, the total amount of Bond Service Requirement which is to become due on all Bonds deemed to be Outstanding immediately after the issuance of such Series of Bonds divided by the total number of years for which Bonds are deemed to be Outstanding, except that with respect to any Bonds for which Amortization Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Amortization Installments to be made in prior Bond Years.

"Bond Anticipation Notes" shall mean notes described in Section 31 hereof of the Issuer issued in anticipation of any Series of Bonds and shall be secured by, amongst other things, a first lien on the proceeds of the Bonds for which such Bond Anticipation Notes were issued.

"Bond Counsel" shall mean Bryant Miller Olive P.A., or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Insurance Policy" shall mean the municipal bond new issue insurance policy or policies issued by an Insurer guaranteeing the scheduled payment of principal of and interest on any portion of such Series of Bonds when due as determined by Supplemental Resolution, if any.

"Bond Service Fund" shall mean the Bond Service Fund created and established pursuant to Section 16 of this Resolution.

"Bond Service Requirement" shall mean, for any Bond Year, at any time, the amount required to be deposited in such Bond Year into the Bond Service Fund, as provided herein

including any Reimbursement Obligations (any interest shall not include interest to the extent it is to be paid from a direct subsidy payment expected to be received from the United States Treasury relating to Build America Bonds issued pursuant to the Code, or any other interest subsidy or similar payments made by the Federal government). In calculating such amount, the Issuer shall subtract therefrom any amounts to be transferred from the Project Fund for the purpose of paying interest on the Bonds. With respect to Variable Rate Bonds which are not subject to a Qualified Agreement, if any, the interest rate used to calculate the Bond Service Requirement shall be the higher of (i) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding), (ii) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) if the indebtedness has been outstanding for twelve months or less, (1) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Internal Revenue Code, the most recently published Bond Buyer 25 Bond Revenue Index (or comparable index if no longer published) plus fifty (50) basis points, or (2) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus fifty (50) basis points; provided, however, that for purposes of any rate covenant measuring actual debt service coverage during a test period, Variable Rate Bonds which are not subject to a Qualified Agreement shall be deemed to bear interest at the actual rate per annum applicable during the test period. If Bonds are Option Bonds, the date or dates of tender shall be disregarded, unless actually tendered and not remarketed, and the stated maturity dates thereof shall be used for purposes of this calculation. If the Issuer has entered into a Qualified Agreement with respect to Variable Rate Bonds Outstanding hereunder or to be issued hereunder, the interest coming due on such Variable Rate Bonds for purposes of this definition shall be deemed to be based upon the synthetic fixed interest rate under the Qualified Agreement, without giving any regard to fees and expenses incurred in connection with the purchase of a liquidity facility. If the Issuer has entered into a Qualified Agreement with respect to certain Bonds Outstanding hereunder or to be issued hereunder which have a fixed rate of interest, the interest coming due on such Bonds for purposes of this definition shall be deemed to be based upon the assumptions described above for Variable Rate Bonds, without giving any regard to fees and expenses incurred in connection with the purchase of a liquidity facility.

"Bond Year" shall mean the period commencing on October 2 of the preceding year and ending twelve months later on October 1.

"Bonds" shall mean (i) any Series 2009 Bonds not being refunded, (ii) the Series 2016 Bonds herein authorized to be issued, and (iii) any Additional Parity Obligations issued hereafter in accordance with the provisions hereof.

"Build America Bond" shall mean any taxable bond issued by the Issuer pursuant to the Code for which either (1) the Issuer receives direct subsidy payments in an amount equal to a

percentage of the interest paid on such bond, or (2) the holder of such bond receives a tax credit in an amount equal to a percentage of the interest paid on such bond.

"Capital Appreciation Bonds" shall mean the aggregate principal amount of the Bonds that bear interest payable solely at maturity or upon redemption prior to maturity in the amounts determined by reference to the Accreted Value, all as shall be determined by Supplemental Resolution of the Issuer. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"Capital Appreciation Income Bonds" shall mean those Bonds initially issued as Capital Appreciation Bonds and which become Serial Bonds when the original issue amount and the Accreted Value equals \$5,000 principal amount or an integral multiple thereof as determined by Supplemental Resolution of the Issuer.

"City Attorney" shall mean the City Attorney of the Issuer, or any assistant or deputy City Attorney of the Issuer.

"City Clerk" shall mean the City Clerk of the Issuer, or any assistant or deputy City Clerk of the Issuer.

"City Manager" shall mean the City Manager of the Issuer, or any assistant or deputy City Manager of the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules thereunder in effect or proposed.

"Connection Fees" shall mean the charges imposed on those connecting to the System for the actual cost of physically connecting into the System; provided, however, that "Connection Fees" shall not include impact fees.

"Consulting Engineers" shall mean one or more independent, qualified and recognized consulting engineers or firm of consulting engineers having favorable reputation, skill and experience with respect to the planning and operation of the System who shall be retained from time to time by the Issuer.

"Contributions in Aid of Construction" shall mean any amount or item of money, services, or property received by the Issuer, any portion of which is provided at no cost to the System, which represents an addition or transfer to the capital of the System, and which is utilized to offset the acquisition, improvement or construction costs of the System.

"Cost of Operation and Maintenance" of the System shall mean the then current expenses, paid or accrued, in the operation, maintenance and repair of the System as calculated



in accordance with generally accepted accounting principles, including, but not limited to, general administrative and indirect labor costs, personal services, contractual services, repairs and maintenance, and materials and supplies, but shall not include capital expenditures, any reserve for renewals and replacements, any allowance for depreciation, any Bond Service Requirement, any payments in lieu of taxes, franchise fees or other transfers.

"Credit Facility" or "Credit Facilities" shall mean either individually or collectively, as appropriate, any bond insurance policy, surety bond, letter of credit, line of credit, guaranty or other instrument or instruments that would enhance the credit of the Bonds.

"Credit Facility Issuer" or "Credit Facility Issuers" shall mean the provider or providers of a Credit Facility or Credit Facilities.

"Director of Financial Services" shall mean the Director of Financial Services of the Issuer, or any assistant or deputy Director of Financial Services of the Issuer.

"Federal Securities" shall mean direct obligations of the United States of America and obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. Federal Securities shall also include direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities and the interest component of Resolution Funding Corp. (REFCORP) strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form.

With respect to any Series of Bonds, the definition of Federal Securities set forth above may be further limited as set forth in a Supplemental Resolution of the Issuer adopted prior to the issuance of such Bonds.

"Financial Advisor" shall mean Larson Consulting Services, LLC, or any other appropriately licensed financial advisor appointed from time to time by the Issuer.

"Fiscal Year" shall mean the period commencing on October 1 of each year and ending on the next succeeding September 30 or such other annual period as may be prescribed by law from time to time for the Issuer.

"Fitch" shall mean Fitch Ratings, and any assigns or successors thereto.

"Gross Revenues" or "Revenues" shall mean all income and earnings, including Connection Fees, received by the Issuer or accrued to the Issuer from the ownership, use or operation of the System and all parts thereof, including, without limitation, unencumbered, non-ad valorem special assessments which are not pledged for the repayment of, or as security for, any indebtedness of the Issuer, whether currently outstanding or hereafter issued, other than the Bonds and which are legally available to be used as contemplated hereunder, moneys

deposited from the Rate Stabilization Fund into the Revenue Fund in accordance with the terms hereof, provided any moneys transferred from the Rate Stabilization Fund into the Revenue Fund within 90 days following the end of a Fiscal Year may be designated by the Issuer as Gross Revenues of such prior Fiscal Year, and shall also include investment income, if any, earned on any fund or account created pursuant to this Resolution, except the Rebate Fund, all as calculated in accordance with generally accepted accounting principles, and any payment received by the Issuer as contemplated in Section 27 hereof, but "Gross Revenues" or "Revenues" shall not include any direct subsidy payments received from the United States Treasury relating to Build America Bonds issued pursuant to the Code or any other interest subsidy or similar payments made by the Federal government, non-ad valorem special assessments which are pledged for the repayment of, or as security for, any indebtedness of the City, whether currently outstanding or hereafter issued, other than the Bonds, proceeds from the sale or other disposition of the System or any part thereof, condemnation awards or proceeds of insurance received with respect to the System, moneys deposited to the Rate Stabilization Fund from the Surplus Fund, including any moneys transferred from the Surplus Fund to the Rate Stabilization Fund within 90 days following the end of a Fiscal Year which the Issuer determines not to be Gross Revenues of such prior Fiscal Year, Contributions in Aid of Construction, unrealized gains or losses from investments or any "utility project charge" or the like as contemplated in Section 27 hereof.

"Holder" or "Bondholders" or any similar term shall mean any persons who shall be the registered owner of any Outstanding Bonds.

"Insurer" shall mean, with respect to any Series of Bonds, such Person, as specifically designated by Supplemental Resolution, as shall be insuring or guaranteeing the scheduled payment of principal of and interest on such Series of Bonds, when due.

"Interest Account" shall mean the special account of the same name created within the Bond Service Fund.

"Interest Date" or "interest payment date" shall be such date or dates for the payment of interest on a Series of Bonds as shall be provided in the Bonds themselves.

"Issuer" or "City" shall mean the City of Tamarac, Florida.

"Maximum Bond Service Requirement" shall mean, as of any particular date of calculation, the greatest amount of aggregate Bond Service Requirement for the then current or any future Bond Year, except that with respect to any Bonds for which Amortization Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Amortization Installments which were to be made in prior Bond Years.

"Mayor" shall mean the Mayor or the Vice Mayor of the Issuer.

"Moody's" or "Moody's Investors Service" shall mean Moody's Investors Services, Inc., and any assigns or successors thereto.

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

"Option Bonds" shall mean Bonds subject to tender for payment prior to their maturity at the option of the Holder thereof.

"Outstanding" or "Bonds Outstanding" shall mean all Bonds which have been issued pursuant to this Resolution, except:

- (i) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;

- (ii) Bonds for the payment or redemption of which cash funds or Acquired Obligations or any combination thereof shall have been theretofore irrevocably set aside in a special account with an escrow agent (whether upon or prior to the maturity or redemption date of any such Bonds) in an amount which, together with earnings on such Acquired Obligations, will be sufficient to pay the principal of, interest on and any redemption premium with respect to such Bonds at maturity or upon their earlier redemption; provided that, if such Bonds are to be redeemed before the maturity thereof, notice of such redemption shall have been given according to the requirements of this Resolution or irrevocable instructions directing the timely publication of such notice and directing the payment of the principal of and interest on all such Bonds at such redemption dates shall have been given; and

- (iii) Bonds which are deemed paid pursuant to this Resolution or in lieu of which other Bonds have been issued under Sections 11 and 13 hereof.

"Parity Contract Obligation" shall have the meaning set forth in Section 28 hereof.

"Parity Contract Obligation Account" shall mean the special account of the same name created within the Bond Service Fund.

"Paying Agent" shall mean any paying agent for Bonds appointed by or pursuant to a Supplemental Resolution and its successors or assigns, and any other Person which may at any time be substituted in its place pursuant to a Supplemental Resolution. Once appointed, no resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent. Each of the Insurers of Bonds, if any, shall be furnished with written notice of the resignation or removal of the Paying Agent and the appointment of any successor thereto.

"Permitted Investments" shall mean investments permitted by applicable law and the Issuer's written investment policy, if any, as may be further limited as set forth in a Supplemental Resolution of the Issuer.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Revenues" shall mean (i) the Net Revenues of the System, and (ii) until applied in accordance with this Resolution, the moneys on deposit in the various funds and accounts created pursuant to this Resolution, except (A) as for the Rebate Fund, (B) to the extent moneys therein shall be required to pay the Cost of Operation and Maintenance in accordance with the terms hereof, and (C) to the extent moneys on deposit in a subaccount of the Reserve Fund or the Project Fund shall be pledged solely for the payment of the Series of Bonds for which it was established in accordance with the provisions hereof.

"Principal Account" shall mean the special account of the same name created within the Bond Service Fund.

"Project" or "Projects" shall mean any actual, proposed or potential acquisition, addition, extension, supplement, or replacement of the System or joint ownership of similar properties or any interest therein or any right to use the capacity from any facilities or services thereof, or any other lawful purpose related to the System, all as determined by the Issuer and in accordance with plans and specifications on file or to be filed with the Issuer.

"2016A Project" shall mean the Project authorized to be financed with the proceeds of the Series 2016A Bonds, consisting of the design, permitting, acquisition, construction and reconstruction of water and sewer capital projects.

"Project Costs" shall mean all costs authorized to be paid from the Project Fund pursuant to Section 18 hereof to the extent permitted under the laws of the State. It is intended that this definition be broadly construed to encompass all costs, expenses and liabilities of the Issuer related to the System which on the date of this Resolution or in the future shall be permitted to be funded with the proceeds of any Series of Bonds pursuant to the laws of the State.

"Project Fund" shall mean the Project Fund created and established pursuant to Section 16 of this Resolution.

"Prudent Utility Practice" shall mean, in respect of any particular municipal utility industry, any of the practices, methods and acts which, in the exercise of reasonable judgment, in light of the facts, including but not limited to the practices, methods and acts engaged in or approved by a significant portion of such utility industry prior thereto, known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition. It is recognized that Prudent

Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather is a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition.

"Qualified Agreement" means, to the extent from time to time permitted pursuant to law, any contract or contracts entered into in connection with Bonds under which payments are, in whole or in part, based on interest rate, cashflow, or other basis desired by the Issuer, including, without limitation, contracts commonly known as current or forward interest rate swap or swaption agreements and interest rate floors or caps. Notwithstanding anything herein to the contrary, "Qualified Agreement" shall not include goods and service supply contracts.

"Qualified Agreement Provider" means, an entity whose senior long term obligations, other senior long term obligations or claims paying ability or whose payment obligations under a Qualified Agreement are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations or claims paying ability are rated at the time of execution of such Qualified Agreement either (i) at least as high as A3 by Moody's, and A- by S&P, or the equivalent thereof by any successor thereto for so long as such rating agency is then maintaining a rating on the Bonds Outstanding, or (ii) any such lower rating categories which each such rating agency then maintaining a rating on the Bonds Outstanding indicates in writing to the Issuer will not, by itself, result in a reduction or withdrawal of its rating on the Bonds Outstanding that is in effect prior to entering into such Qualified Agreement.

"Qualified Independent Consultant" shall mean one or more qualified and recognized independent consultants, having favorable reputations, skill and experience with respect to the acts and duties of the Qualified Independent Consultant to be provided to the Issuer, as shall from time to time be retained by the Issuer to perform the acts and carry out the duties herein provided for such consultants.

"Rate Stabilization Fund" shall mean the "Rate Stabilization Fund" established pursuant to Section 16 of this Resolution.

"Rebate Amount" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-1(b) of the Income Tax Regulations) over the future value, as of that date, of all payments on nonpurpose investments, all as provided by regulations under the Code implementing Section 148 thereof.

"Rebate Fund" shall mean the City of Tamarac Utility System Revenue Bonds Rebate Fund established pursuant to Section 30 hereof.

"Rebate Year" shall mean, with respect to a particular Series of Bonds issued hereunder, a one-year period (or shorter period from the date of issue) that ends at the close of business on the day in the calendar year selected by the Issuer as the last day of a Rebate Year. The final

Rebate Year with respect to a particular Series of Bonds issued hereunder, however, shall end on the date of final maturity of that Series of Bonds.

"Record Date" shall mean each date that is on the 15<sup>th</sup> day of the calendar month immediately preceding an interest payment date on the Bonds.

"Redemption Account" shall mean the special account of the same name created within the Bond Service Fund.

"Refunded 2009 Bonds" shall mean all or a portion of the Issuer's Series 2009 Bonds authorized to be refunded hereby, to be specifically designated by Supplemental Resolution.

"Refunding Bonds" shall mean that amount of any Series of Bonds, the proceeds of which will be applied to the refunding of any previously issued Bonds.

"Registrar" shall mean any registrar for the Bonds appointed by or pursuant to Supplemental Resolution and its successors and assigns, and any other Person which may at any time be substituted in its place pursuant to Supplemental Resolution. Once appointed, no resignation or removal of the Registrar shall become effective until a successor has been appointed and has accepted the duties of Registrar. The Insurers of Bonds shall be furnished with written notice of the resignation or removal of the Registrar and the appointment of any successor thereto.

"Reimbursement Obligation" shall have the meaning set forth in Section 29 hereof.

"Renewal, Replacement and Improvement Fund" shall mean the Renewal, Replacement and Improvement Fund created and established pursuant to Section 16 of this Resolution.

"Reserve Fund" shall mean the Reserve Fund created and established pursuant to Section 16 of this Resolution.

"Reserve Fund Insurance Policy" shall mean an insurance policy or surety bond deposited in the Reserve Fund or a subaccount therein in lieu of or in substitution for cash on deposit therein pursuant to Section 20(B)(2) hereof.

"Reserve Fund Letter of Credit" shall mean an unconditional irrevocable letter of credit or line of credit (other than a Reserve Fund Insurance Policy) deposited in the Reserve Fund or a subaccount therein in lieu of or in substitution for cash on deposit therein pursuant to Section 20(B)(2) hereof.

"Reserve Requirement" shall be the lesser of (i) the Maximum Bond Service Requirement with respect to Bonds secured by the Reserve Fund, (ii) 125% of the Average Annual Bond Service Requirement with respect to Bonds secured by the Reserve Fund, or (iii) the largest amount as shall not adversely affect the exclusion of interest on the Bonds from gross income

for Federal income tax purposes with respect to Bonds secured by the Reserve Fund; provided, however, the Issuer may establish by Supplemental Resolution a different Reserve Requirement for a subaccount of the Reserve Fund which secures one or more Series of Bonds pursuant to Section 20(B)(2) hereof.

"Resolution" shall mean the Original Resolution, as amended and restated in its entirety by this Resolution, as from time to time may be amended or supplemented by Supplemental Resolution, in accordance with the terms hereof.

"Revenue Fund" shall mean the Revenue Fund created and established pursuant to Section 16 of this Resolution.

"Serial Bonds" shall mean all of the Bonds other than Term Bonds.

"Series" or "Series of Bonds" or "Bonds of a Series" shall mean all Bonds designated as being of the same Series issued and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter delivered in lieu thereof or in substitution therefor pursuant to this Resolution.

"Series 2016 Bonds" shall mean, collectively, the Series 2016A Bonds and the Series 2016B Bonds.

"Series 2016A Bonds" shall mean the Issuer's Utility System Refunding Revenue Bonds, Series 2016A, the net proceeds of which will be primarily used to refund a portion of the Refunded 2009 Bonds and to finance the 2016A Project.

"Series 2016B Bonds" shall mean the Issuer's Utility System Refunding Revenue Bonds, Series 2016B (Taxable), the net proceeds of which will be primarily used to refund a portion of the Refunded 2009 Bonds. The Series 2016B Bonds are Taxable Bonds.

"Sewer System" shall mean the complete sewer, wastewater and residential reuse system now owned, operated and maintained by the Issuer and which the Issuer is, or shall be responsible for maintaining, together with any and all acquisitions, improvements, extensions and additions thereto, hereafter constructed or acquired, together with all lands or interests therein, including plants, buildings, machinery, franchises, pipes, mains, fixtures, equipment and all property, real or personal, tangible or intangible (including agreements for the providing of such services), now or hereafter constructed and/or owned or used in connection therewith.

"State" shall mean the State of Florida.

"S&P" shall mean S&P Global Ratings Inc. and any assigns and successors thereto.

"Subordinated Debt" shall mean any obligations payable on a junior, inferior and subordinate basis under Section 20(L) hereof. "Subordinated Debt" shall include, but shall not be limited to, (i) Subordinated Contract Obligations, (ii) payments to a Qualified Agreement Provider pursuant to a Qualified Agreement which the Issuer has designated as Subordinated Debt, (iii) Reimbursement Obligations, and (iv) any other obligations payable from any of the Pledged Revenues on a junior, inferior and subordinate basis to the Bonds.

"Subordinated Debt Service Fund" shall mean the Subordinated Debt Service Fund.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 22 and 23 hereof.

"System" or "Utility System" shall mean, collectively, the Water System and the Sewer System of the Issuer. Upon compliance with the provisions of Section 26 hereof, the term "System" may be deemed to include other utility functions added to the System, including, but not limited to, the acquisition, distribution and sale of natural gas, the providing of electricity, the providing of cable television services, the providing of telecommunication services or other utility functions that are authorized from time to time pursuant to the Act. Notwithstanding the foregoing definition of the term System, (i) such term shall not include any properties or interest in properties of the Issuer which the Issuer determines shall not constitute a part of the System for the purpose of this Resolution, and (ii) such term shall not include the stormwater system of the Issuer.

"Taxable Bond" shall mean any Bond (other than Build America Bonds) which states, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income tax purposes or that such interest is subject to federal income taxation. The Series 2016B Bonds are Taxable Bonds.

"Term Bonds" shall mean the Bonds other than Serial Bonds which shall be stated to mature on one date, and shall have such Amortization Installments, as shall be determined by Supplemental Resolution of the Issuer.

"Variable Rate Bonds" shall mean obligations issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage at the date of issue for the entire term thereof as shall be determined by Supplemental Resolution of the Issuer.

"Water System" shall mean the complete water system now owned, operated and maintained by the Issuer or which is proposed to be acquired by and operated and maintained by the Issuer and which the Issuer is, or shall be responsible for maintaining, together with any and all acquisitions, improvements, extensions and additions thereto, hereafter constructed or acquired, together with all lands or interests therein, including plants, buildings, machinery, franchises, pipes, mains, fixtures, equipment and all property, real or personal, tangible or



intangible (including agreements for the providing of such services), now or hereafter constructed and/or owned or used in connection therewith.

The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender. Words importing the singular number include the plural number, and vice versa.

Section 3. Findings. It is hereby ascertained, determined and declared that:

(A) The Issuer currently owns, operates and maintains the System and derives certain revenue from rates, fees, rentals and other charges made and collected for the services of such System, which such revenues are not now pledged or encumbered in any manner except in favor of the Series 2009 Bonds. The Refunded 2009 Bonds are to be refunded with proceeds of the Series 2016A Bonds and Series 2016B Bonds and other legally available funds of the Issuer, if any.

(B) The Issuer has determined that it is in the best interest of the health and welfare of the residents of the Issuer and other users of the System to issue the Series 2016A Bonds for the primary purpose of refunding a portion of the Refunded Series 2009 Bonds and financing the costs of the 2016A Project and to issue the Series 2016B Bonds for the primary purpose of refunding a portion of the Refunded 2009 Bonds.

(C) The costs associated with issuance of the Series 2016 Bonds shall be deemed to include, but not limited be to, legal and financial advisory fees and expenses, engineering expenses, fiscal expenses, underwriting fees and expenses, rating agency fees, expenses for estimates of costs and of revenues, accounting expenses, escrow and verification fees and expenses, municipal bond insurance premiums, if applicable, surety policy premiums, if applicable, costs of printing, fees and expenses for the paying agent and registrar, accrued and capitalized interest, if any, provisions for reserves, and such other fees and expenses as may be necessary or incidental for the financing herein authorized.

(D) Furthermore, in order to modify and modernize certain of the bond covenants to provide more financial flexibility, the Issuer desires to amend and restate the Original Resolution.

(E) Any Series of Bonds, after the issuance of the Series 2016 Bonds, shall be issued upon approval by Supplemental Resolution of the Issuer and compliance with the terms hereof. The proceeds of any Series of Bonds shall be applied as provided in a Supplemental Resolution.

(F) The principal of and interest and redemption premium on the Series 2016 Bonds and all reserve and other payments contemplated hereunder shall be payable solely from the Pledged Revenues on parity with the Series 2009 Bonds not being refunded, if any. The Issuer shall never be required to levy ad valorem taxes on any real or personal property therein to pay the principal of and interest on the Bonds herein authorized or to make any other payments provided for herein. The Bonds shall not constitute a lien upon any properties owned by or located within the boundaries of the Issuer or upon any property other than the Pledged Revenues.

(G) The Pledged Revenues should be sufficient to pay all principal of and interest and redemption premium on the Bonds to be issued hereunder, as the same become due, and to make all required deposits or payments required by this Resolution.

Section 4. Authorization of the 2016A Project and Refunding of Refunded 2009 Bonds. The Issuer does hereby authorize the 2016A Project, and the refunding of the Refunded 2009 Bonds.

Section 5. This Resolution to Constitute Contract. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Holders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of the Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein.

Section 6. Authorization of Bonds. Subject and pursuant to the provisions hereof, obligations of the Issuer to be known as "Utility System Revenue Bonds" which may be issued from time to time are hereby authorized to be issued. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act or by law.

The Bonds may, if and when authorized by the Issuer pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined herein or by Supplemental Resolution of the Issuer.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined by Supplemental Resolution of the Issuer, and, in the case of the Series 2016 Bonds, by Section 7 hereof. The Issuer may issue Bonds which may be secured by a Credit Facility or by a Bond Insurance Policy all as shall be determined by Supplemental Resolution of the Issuer.

Section 7. Description of the Series 2016 Bonds. The Series 2016A Bonds and the Series 2016B Bonds are hereby authorized to be issued in the aggregate principal amounts of not to exceed \$22,000,000 and \$5,000,000, respectively, with further details provided in a Supplemental Resolution prior to their delivery.

The Series 2016A Bonds and the Series 2016B Bonds shall each be issued hereunder in fully registered form without coupons; may be Capital Appreciation Bonds, Serial Bonds or Term Bonds; shall be dated; shall be numbered consecutively from one upward in order of maturity preceded by the letter "RA" and "RB," respectively, if Serial Bonds or Term Bonds, and preceded by the letters "CABR" if Capital Appreciation Bonds; shall be in the denomination of \$5,000 each, or integral multiples thereof for the Serial Bonds and Term Bonds, and in \$5,000 Accreted Values at maturity for the Capital Appreciation Bonds or in \$5,000 multiples thereof, or such other denominations as shall be approved by the Issuer in a Supplemental Resolution prior to the delivery of such Bonds shall bear interest at such rate or rates not exceeding the maximum rate allowed by State law, the actual rate to be approved by the governing body of the Issuer prior to or upon the sale of such Bonds; such interest to be payable semiannually at such times as are fixed by Supplemental Resolution of the Issuer if Serial Bonds or Term Bonds or payable at maturity if Capital Appreciation Bonds, and shall mature annually on such date in such years and such amounts as will be fixed by Supplemental Resolution of the Issuer prior to or upon the sale of such Bonds, and may be issued with variable, adjustable, convertible or other rates with original issue discounts and as zero coupon bonds; all as the Issuer shall provide herein or hereafter by Supplemental Resolution.

Each Serial or Term Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless authenticated on an interest payment date, in which case it shall bear interest from such interest payment date, or, unless authenticated prior to the first interest payment date, in which case it shall bear interest from its date; provided, however, that if at the time of authentication, payment of any interest which is due and payable has not been made, such Serial or Term Bond shall bear interest from the date to which interest shall have been paid.

Unless otherwise set forth in a Supplemental Resolution adopted prior to the issuance of a Series of Bonds, interest shall be calculated based upon a 360 day year consisting of 12-30 day months.

Each Capital Appreciation Bond shall bear interest only at maturity or upon redemption prior to maturity in the amount determined by reference to the Accreted Value.

The principal of and the interest and redemption premium, if any, on such Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The interest on the Serial or Term Bonds shall be payable by the Paying Agent on each interest payment date, or the first business day following an interest payment date if such interest payment date is not a business day, to the person appearing on the registration books of the Issuer hereinafter provided for as the registered Holder thereof, by check or draft mailed to such registered Holder at his address as it appears on such registration books or by wire transfer to Holders of \$1,000,000 or more in principal amount of such Bonds. Payment of the principal of all Serial or Term Bonds (reduced by any Amortization Installments previously paid by the Issuer on any Term Bonds) and the Accreted Value with respect to the Capital Appreciation Bonds shall be made upon the presentation and surrender of such Bonds as the same shall become due and payable.

As long as any such Bonds are outstanding in book-entry form, the provisions of this Resolution inconsistent with such system of book-entry registration shall not be applicable to such Bonds, and the Issuer covenants to cause adequate records to be kept with respect to the ownership of any Series of Bonds issued in book-entry form or the beneficial ownership of bonds issued in the name of a nominee.

Section 8.     Execution of Bonds. The Bonds in the form herein below set forth shall be signed by, or bear the facsimile signature of the Mayor and City Manager and shall be attested by, or bear the facsimile signature of, the City Clerk, shall be approved as to form by the City Attorney, and a facsimile of the official seal of the Issuer shall be imprinted on the Bonds.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such Person remained in office until such delivery. Any Bond may bear the facsimile signature of or may be signed by such persons who, at the actual time of the execution of such Bond, shall be the proper officers to sign such Bonds although, at the date of such Bond, such persons may not have been such officers.

Section 9.     Authentication of Bonds. Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinbelow set forth, duly executed by the Registrar, as authenticating agent, shall be entitled to any benefit or security under this Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The Registrar's certificate of

authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication of all of the Bonds that may be issued hereunder at any one time.

Section 10. Exchange of Bonds. Any Bonds, upon surrender thereof at the designated corporate trust office of the Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Registrar, may, at the option of the Bondholder, be exchanged for an aggregate principal amount of Bonds of the same Series equal to the principal amount of the Bond or Bonds so surrendered.

The Registrar shall make provision for the exchange of Bonds at the designated corporate trust office of the Registrar.

Section 11. Negotiability, Registration and Transfer of Bonds. The Registrar shall keep books for the registration of and for the registration of transfers of Bonds as provided in this Resolution. The transfer of any Bonds may be registered only upon such books and only upon surrender thereof to the Registrar together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer, the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for such Bond, a new Bond or Bonds registered in the name of the transferee, and in an aggregate principal amount equal to the principal amount of such Bond or Bonds so surrendered and of the same Series.

In all cases in which Bonds shall be exchanged, the Issuer shall execute and the Registrar shall authenticate and deliver, at the earliest practicable time, a new Bond or Bonds of the same type (e.g., Serial Bonds will be exchanged for Serial Bonds and Capital Appreciation Bonds will be exchanged for Capital Appreciation Bonds) and of the same Series in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. The Issuer or the Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to any Bondholder for the privilege of exchanging or registering the transfer of Bonds under the provisions of this Resolution. Neither the Issuer nor the Registrar shall be required to make any such exchange, registration or transfer of Bonds after the Record Date.

Section 12. Ownership of Bonds. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond, and the interest on any such Bonds shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and

discharge the liability upon such Bond including the premium, if any, and interest thereon to the extent of the sum or sums so paid.

Section 13. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, cause to be executed, and the Registrar shall authenticate and deliver, a new Bond of like date and tenor as the Bond so mutilated, destroyed, stolen or lost (e.g., Serial Bonds shall be issued in exchange for Serial Bonds and Capital Appreciation Bonds shall be issued in exchange for Capital Appreciation Bonds) in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer and the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered shall be canceled by the Issuer. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 13 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other Bonds issued hereunder.

Section 14. Provisions for Redemption. The Bonds shall be subject to redemption prior to their maturity, at the option of the Issuer, at such times and in such manner as shall be fixed by Supplemental Resolution of the Issuer prior to or at the time of sale of such Bonds. The provisions of this Section may be modified as to any Series of Bonds by Supplemental Resolution adopted prior to the issuance thereof.

Notice of such redemption shall, at least thirty (30) days prior to the redemption date, be filed with the Registrar, and mailed by the Registrar on behalf of the Issuer, first class mail, postage prepaid, to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books hereinbefore provided for on the Record Date, but failure to mail such notice to one or more Holders of such Bonds, or any defect therein, shall not affect the validity of the proceedings for such redemption with respect to Holders of Bonds to which notice was duly mailed hereunder and no defect occurred. Such notice shall also be sent to the registered securities depositories and two or more nationally recognized municipal securities information repositories. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of such Bonds, of one maturity are to be called, the distinctive numbers of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Any notice of optional redemption given pursuant to this Section 14 may state that it is conditional upon receipt by the Paying Agent of moneys sufficient to pay the redemption price, plus interest accrued to the redemption date, or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price and accrued interest if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Paying Agent to affected Holders of such Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

Official notice of redemption having been given as aforesaid, such Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Each check or other transfer of funds issued by the Registrar for the purpose of the payment of the redemption price of Bonds being redeemed shall bear the CUSIP number identifying, by issue and maturity, such Bonds being redeemed with the proceeds of such check or other transfer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any such Bond, there shall be prepared for the Holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal of such partially redeemed Bond. All such Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

Section 15. Form of Bonds. The text of the Bonds, together with the certificate of authentication to be endorsed therein, shall be in substantially the following form, with such omissions, insertions and variations as may be necessary, desirable, authorized or permitted by this Resolution or by any Supplemental Resolution adopted prior to the issuance of a Series of Bonds, or as may be necessary if such Bonds or a portion thereof are issued as Capital Appreciation Bonds, Capital Appreciation Income Bonds, Option Bonds, Variable Rate Bonds, or as may be necessary to comply with applicable laws, rules and regulations of the United States and of the State in effect upon the issuance thereof.

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## [FORM OF BOND]

No. R[A/B]-\_\_\_\_

\$\_\_\_\_

UNITED STATES OF AMERICA

STATE OF FLORIDA

COUNTY OF BROWARD

CITY OF TAMARAC

UTILITY SYSTEM [REFUNDING] REVENUE BONDS, SERIES \_\_\_\_\_ [TAXABLE]

MATURITY DATE:      INTEREST RATE:      DATED DATE:      CUSIP:

Registered Owner:

Principal Amount:

The City of Tamarac, Florida (hereinafter called the "Issuer") for value received, hereby promises to pay to the order of the Registered Owner identified above or registered assigns, as herein provided, on the Maturity Date identified above, upon the presentation and surrender hereof at the designated corporate trust office of \_\_\_\_\_, Florida from the sources hereinafter mentioned, the Principal Amount identified above in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay, solely from said sources, to the Registered Owner hereof by wire transfer or check transmitted to the Registered Owner at his address as it appears on the Bond registration books of the Issuer as it appears on the 15th day of the calendar month preceding the applicable interest payment date, interest on said Principal Amount at the Interest Rate per annum identified above on each April 1 and October 1 commencing \_\_\_\_\_ 1, 20\_\_ from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from said interest payment date, or unless this Bond is registered and authenticated prior to \_\_\_\_\_, in which event this Bond shall bear interest from \_\_\_\_\_, \_\_\_\_.

[Interest income on this Bond is includable in the gross income to the Registered Owner for federal income tax purpose.] [Taxable Bond only].

(Insert Optional and/or Mandatory Redemption Provisions)

Notice of such redemption shall be given in the manner required by the Resolution (as defined below).



This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$\_\_\_\_\_ of like date, tenor and effect, except as to number, principal amount, maturity, redemption provisions and interest rate, issued to \_\_\_\_\_, all in full compliance with Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 159, Part I, Florida Statutes, Chapter 166, Part II, Florida Statutes, the municipal charter of the City of Tamarac, Florida, and other applicable provisions of law and Resolution No. R-2009-96 duly adopted by the Issuer on July 22, 2009, as amended and restated in its entirety by Resolution No. R-2016-\_\_ duly adopted by the Issuer on \_\_\_\_\_, 2016, as amended and supplemented (hereinafter collectively called the "Resolution") and is subject to all the terms and conditions of such Resolution. All capitalized undefined terms used herein shall have the meaning set forth in the Resolution.

[On parity with \_\_\_\_\_,] this Bond is payable solely from and secured by a pledge of the Net Revenues of the System levied and collected by the Issuer, and the moneys in certain funds and accounts created pursuant to the Resolution (collectively, the "Pledged Revenues") in the manner and to the extent provided in the Resolution. Reference is made to the Resolution for more complete definition and description of the System and the Pledged Revenues.

This Bond does not constitute a general indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Holder of this Bond that such Bondholder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment of the principal of and interest on this Bond or the making of any debt service fund, reserve or other payments provided for in the Resolution.

It is further agreed between the Issuer and the Holder of this Bond that this Bond and the indebtedness evidenced thereby shall not constitute a lien upon the System, or any part thereof, or on any other property of or in the Issuer, but shall constitute a lien only on the Pledged Revenues all in the manner provided in the Resolution.

The Issuer has covenanted, in the Resolution, to fix, establish, revise from time to time whenever necessary, maintain and collect always such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide, Net Revenues in each Fiscal Year sufficient to pay one hundred ten percent (110%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year.

In addition to compliance with the paragraph above, such Net Revenues in each Fiscal Year shall also be sufficient to provide one hundred percent (100%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year, any amounts required by the terms of the Resolution to be deposited into the Reserve Fund (including any subaccount therein) or with any Credit Facility Issuer as a result of a withdrawal from the Reserve Fund (including any subaccount therein), the Renewal, Replacement and Improvement Fund and

debt service on other obligations payable from the Revenues of the System, and other payments, and all allocations and applications of revenues in the Resolution required in such Fiscal Year.

Net Revenues will not be reduced so as to render them insufficient to provide revenues for the purposes provided therefor by the Resolution.

The Issuer has entered into certain further covenants with the Holders of the Bonds of this issue for the terms of which reference is made to the Resolution.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and Statutes of the State of Florida.

This Bond is and has all the qualities and incidents of a negotiable instrument under Article 3 of the Uniform Commercial Code, the State of Florida, Chapter 673, Florida Statutes, as amended.

The transfer of this Bond is registrable by the Bondholder hereof in person or by his attorney or legal representative at the designated corporate trust office of the Registrar but only in the manner and subject to the conditions provided in the Resolution and upon surrender and cancellation of this Bond.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until it shall have been authenticated by the execution by the Registrar of the certificate of authentication endorsed hereon.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, said City of Tamarac, Florida, by resolution duly adopted by its City Commission, has caused this Bond to bear the signatures of its Mayor and City Manager, to be attested by the signature of its City Clerk, to be approved as to form by the City Attorney, and a facsimile of the official seal of the City to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

(SEAL)

CITY OF TAMARAC, FLORIDA

By: \_\_\_\_\_  
Mayor

ATTESTED:

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

By: \_\_\_\_\_  
City Attorney

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Resolution.

Date of Authentication:

\_\_\_\_\_

\_\_\_\_\_  
Registrar, as Authenticating Agent

By: \_\_\_\_\_  
Authorized Officer

## ASSIGNMENT AND TRANSFER

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
\_\_\_\_\_(Please insert Social Security or other identifying number of transferee) \_\_\_\_\_  
\_\_\_\_\_ the attached bond of the City of Tamarac, Florida, and does hereby constitute  
and appoint, \_\_\_\_\_, attorney, to transfer the said Bond on the books kept for  
Registration thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature Guaranteed by \_\_\_\_\_

[member firm of the New York Stock  
Exchange or a commercial bank or a trust  
company.]

By: \_\_\_\_\_ (manual or facsimile)

Authorized Officer

NOTICE: No transfer will be registered and  
no new Bonds will be issued in the name of  
the transferee, unless the signature to this  
assignment corresponds with the name as it  
appears upon the face of the within Bond in  
every particular, without alteration or  
enlargement or any change whatever and the  
Social Security or Federal Employer  
Identification Number of the transferee is  
supplied.

[END OF FORM OF BOND]

Section 16. Creation of Funds. There are hereby created and established the following funds and accounts, which funds and accounts shall be trust funds held by the Issuer for the purposes herein provided and used only in the manner herein provided:

(A) The "City of Tamarac Utility System Revenue Fund" (hereinafter sometimes called the "Revenue Fund") to be held by the Issuer and to the credit of which deposits of Gross Revenues shall be made as required by Section 20(A) hereof.

(B) The "City of Tamarac Utility System Bond Service Fund" (hereinafter sometimes called the "Bond Service Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(1) hereof. In such fund there shall be maintained the following accounts: the Principal Account, the Interest Account, the Parity Contract Obligation Account and the Redemption Account.

(C) The "City of Tamarac Utility System Reserve Fund" (hereinafter sometimes called the "Reserve Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(2) hereof. In such Fund, there may hereafter be established subaccounts pursuant to Supplemental Resolution.

(D) The "City of Tamarac Utility System Subordinated Debt Service Fund" (hereinafter sometimes called the "Subordinated Debt Service Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(3) hereof.

(E) The "City of Tamarac Utility System Renewal, Replacement and Improvement Fund" (hereinafter sometimes called the "Renewal, Replacement and Improvement Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(4) hereof.

(F) The "City of Tamarac Utility System Project Fund" (hereinafter sometimes called the "Project Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 17 hereof. Within such fund there shall be created, established and maintained separate accounts for each Series of Bonds. There is hereby created the Series 2016A Project Account (hereafter the "Series 2016A Project Account") which shall be held solely for the benefit of the Holders of the Series 2016A Bonds.

(G) The "City of Tamarac Utility System Rate Stabilization Fund" (hereinafter sometimes called the "Rate Stabilization Fund") to be held by the Issuer and to the credit of which deposits may be made as required by Section 20(R) hereof.

(H) The "City of Tamarac Utility System Surplus Fund" (hereinafter sometimes called the "Surplus Fund") to be held by the Issuer and to the credit of which deposits may be made as required by Section 20(B)(6) hereof.

The Revenue Fund, the Bond Service Fund (including the accounts therein), the Reserve Fund (including any subaccounts that may hereafter be created therein pursuant to Supplemental Resolution), the Renewal, Replacement and Improvement Fund, the Project Fund, the Rate Stabilization Fund, the Surplus Fund and any other special funds herein established and created shall be deemed to be held in trust for the purposes provided herein for such funds. The money in all such funds shall be continuously secured in the same manner as state and municipal deposits are authorized to be secured by the laws of the State of Florida.

The cash required to be accounted for in each of the funds and accounts described in this Section 16 may be deposited in a single bank account, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash on deposit therein for the various purposes of such funds and accounts as herein provided. The designation and establishment of the various funds in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the System for certain purposes and to establish certain priorities for application of such revenues and assets as herein provided.

The Issuer may at any time and from time to time appoint one or more depositories to hold, for the benefit of the Bondholders, any one or more of the funds, accounts and subaccounts established hereby. Such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than fifty million dollars (\$50,000,000).

Section 17. Application of Bond Proceeds. The proceeds, including accrued interest and premium, if any, received from the sale of a Series of the Bonds shall be applied by the Issuer simultaneously with the delivery of such Series of the Bonds to the purchaser thereof, as provided in a Supplemental Resolution adopted at or prior to sale of such Series of the Bonds.

Section 18. Disbursements from Project Fund. Moneys on deposit from time to time in the Project Fund shall be used to pay or reimburse the following Project Costs:

(A) Costs incurred directly or indirectly for or in connection with a Project or a proposed or future Project or acquisition including, but not limited to, those for preliminary planning and studies, architectural, legal, financial, engineering and supervisory services, labor, services, materials, equipment, accounts receivable, acquisitions, land, rights-of-way, improvements and installation;

(B) Premiums attributable to all insurance required to be taken out and maintained during the period of construction with respect to a Project to be acquired or constructed, the premium on each surety bond, if any, required with respect to work on such facilities, and taxes, assessments and other charges hereof that may become payable during the period of construction with respect to such a Project;

(C) Costs incurred directly or indirectly in seeking to enforce any remedy against a contractor or subcontractor in respect of any default under a contract relating to a Project or costs incurred directly or indirectly in defending any claim by a contractor or subcontractor with respect to a Project;

(D) Financial, legal, accounting, appraisals, title evidence and printing and engraving fees, charges and expenses, and all other such fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of such Series of Bonds;

(E) Capitalized interest funded from Bond proceeds, if any, for a reasonable period of time;

(F) Any other incidental and necessary costs including without limitation any expenses, fees and charges relating to the acquisition, construction or installation of a Project, and the making of extraordinary repairs, renewals and replacements, decommissioning or retirement of any portion of the System, including the cost of temporary employees of the Issuer retained to carry out duties in connection with the acquisition, construction or erection of a Project and costs related to transition of such Project into ownership by the Issuer;

(G) Costs incurred directly or indirectly in placing any Project in operation in order that completion of such Project may occur;

(H) Costs of acquiring an existing utility system from a Person, including but not limited to the costs relating to any real estate transaction related thereto;

(I) Any other costs relating to the System authorized pursuant to a Supplemental Resolution of the Issuer and permitted under the laws of the State subject to the prior written approval of Bond Counsel; and

(J) Reimbursements to the Issuer for any of the above items hereinbefore paid by or on behalf of the Issuer, to the extent deemed advisable by Bond Counsel.

Notwithstanding anything else in this Resolution to the contrary, in the Event of Default, the trustee acting for the Holders of Bonds shall, to the extent there are no other available funds held hereunder, use the remaining funds in the Project Fund to pay principal and interest on the Series of Bonds to which such funds relate and were provided by.

Section 19. Special Obligations of Issuer. The Bonds and any Parity Contract Obligations shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of the Constitution of the State, but shall be payable solely from and secured by a lien upon and a pledge of the Pledged Revenues as herein provided. No Holder or Holders of any Bonds issued hereunder or Qualified Agreement Provider shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form of any real or personal property therein, or to compel the Issuer to pay such principal and interest from any other funds of the Issuer.

The payment of principal of and interest on the Bonds and any Parity Contract Obligations shall be secured forthwith equally and ratably by, and the Issuer hereby grants to the Bondholders and any Qualified Agreement Provider (to the extent set forth in the related Qualified Agreement) an irrevocable lien on the Pledged Revenues, prior and superior to all other liens or encumbrances on such Pledged Revenues and the Issuer does hereby irrevocably pledge such Pledged Revenues to the payment of the principal of, redemption premium, if any, and interest on the Bonds and any Parity Contract Obligations, for the reserves therefor and for all other payments required hereunder. Such amounts hereby pledged and assigned shall immediately be subject to the lien of this pledge without any further physical delivery thereof or any further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer, irrespective of whether such parties have notice thereof.

Section 20. Covenants of the Issuer. For so long as any of the principal of and interest on any of the Bonds shall be Outstanding and unpaid or until the Issuer has made provision for payment of principal, interest and redemption premiums, if any, with respect to the Bonds, as provided herein, the Issuer covenants with the Holders of any and all Bonds as follows:

(A) REVENUE FUND. All Gross Revenues of the System shall, upon receipt thereof, be deposited in the Revenue Fund. All deposits into such Revenue Fund shall be deemed to be held in trust for the purposes herein provided and used only for the purposes and in the manner herein provided.

(B) DISPOSITION OF REVENUES. All Net Revenues in the Revenue Fund shall be disposed of monthly, but not later than the twenty-fifth (25th) day of each month commencing in the month immediately following the delivery of the first Series of Bonds issued hereunder only in the following manner and the following order of priority:

(1) The Issuer shall first deposit into the Bond Service Fund and credit to the following accounts, in the following order (except that payments into the Interest Account and the Parity Contract Obligations Account shall be on parity with each other, and the payments into the Principal Account and the Redemption Account shall be on a parity with each other), the following identified sums:



(a) Interest Account: Taking into account actual and anticipated earnings in the Interest Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-sixth (1/6<sup>th</sup>) of all interest coming due on all Outstanding Bonds, on the next interest payment date; provided, however, that monthly deposits of interest, or portions thereof, shall not be required to be made to the extent that money on deposit within such Interest Account is sufficient for such purpose. In the event the Issuer has issued Variable Rate Bonds pursuant to the provisions hereof, Net Revenues shall be deposited at such other or additional times and amounts as necessary to pay any interest coming due on such Variable Rate Bonds on the next interest payment date, all in the manner provided in a Supplemental Resolution of the Issuer. Any monthly payment out of Net Revenues to be deposited as set forth above, for the purpose of meeting interest payments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of interest payment dates applicable to such Series. Moneys in the Interest Account may be used only for the purposes set forth in this paragraph (a).

(b) Parity Contract Obligations Account: Taking into account the actual and anticipated earnings in the Parity Contract Obligations Account in the Bond Service Fund within the current Bond Year, a pro rata estimated amount necessary to build up over time the amount of any Parity Contract Obligation which will next be due and payable or reasonably expected to be due and payable under any Qualified Agreement on the next payment date thereunder; provided, however, that the monthly amount to be so deposited may be adjusted, as appropriate, to reflect the frequency of payment dates thereunder (e.g., if such Parity Contract Obligations are required to be paid semi-annually, the Issuer shall be required to deposit monthly an amount which is estimated to equal one-sixth (1/6<sup>th</sup>) of the next such payment). Moneys in the Parity Contract Obligations Account may be used only for the purposes set forth in this paragraph (b).

(c) Principal Account: Taking into account actual and anticipated earnings in the Principal Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-twelfth (1/12<sup>th</sup>) of the principal amount of the Outstanding Bonds which will mature and become due on such annual maturity dates beginning the month which is twelve (12) months prior to the first principal maturity date; provided, however, that monthly deposits for principal, or portions thereof, shall not be required to be made to the extent that money on deposit within such Principal Account is sufficient for such purpose. Any monthly payment out of Net Revenues to be deposited as set forth above, for the purpose of meeting principal payments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of principal payment

dates applicable to such Series. Moneys in the Principal Account may be used only for the purposes set forth in this paragraph (c).

(d) Redemption Account: Taking into account actual and anticipated earnings in the Redemption Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-twelfth (1/12<sup>th</sup>) of any Amortization Installment established for the mandatory redemption of Outstanding Bonds on such annual maturity date beginning the month which is twelve (12) months prior to the first Amortization Installment date; provided, however, that monthly deposits into the Redemption Account, or portions thereof, shall not be required to be made to the extent that money on deposit in the Redemption Account is sufficient for such purpose. Any monthly payment out of Net Revenues to be deposited as set forth above, for the purpose of meeting Amortization Installments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of dates established for Amortization Installments applicable to such Series. The moneys in the Redemption Account shall be used solely for the purchase or redemption of the Term Bonds payable therefrom. The Issuer may at any time purchase any of said Term Bonds at prices not greater than the then redemption price of said Term Bonds. If the Term Bonds are not then redeemable prior to maturity, the Issuer may purchase said Term Bonds at prices not greater than the redemption price of such Term Bonds on the next ensuing redemption date. If Term Bonds are so purchased by the Issuer, the Issuer shall credit the account of such purchased Term Bonds against any current Amortization Installment to be paid by the Issuer. If the Issuer shall purchase or call for redemption in any year Term Bonds in excess of the Amortization Installment requirement for such year, such excess of Term Bonds so purchased or redeemed shall be credited in such manner and at such times as the Issuer shall determine. Moneys in the Redemption Account in the Debt Service Fund may be used only for the purposes set forth in this paragraph (d).

(2) To the extent that the amounts on deposit in the Reserve Fund (or any subaccount therein) are less than the applicable Reserve Requirement, the Issuer shall next make deposits into the Reserve Fund (or any subaccount therein) in the manner described below from moneys remaining in the Revenue Fund. Any withdrawals from the Reserve Fund (or any subaccount therein) shall be subsequently restored from the first moneys available in the Revenue Fund, after all required current payments for Cost of Operation and Maintenance as set forth above and all current applications and allocations to the Bond Service Fund, including all deficiencies for prior payments have been made in full. Notwithstanding the foregoing, in case of withdrawal from the Reserve Fund (or any subaccount therein), in no event shall the Issuer be required to deposit into the Reserve Fund (or any subaccount therein) an amount greater than that

amount necessary to ensure that the difference between the applicable Reserve Requirement and the amounts on deposit in the Reserve Fund (or any subaccount therein) on the date of calculation shall be restored not later than sixty (60) months after the date of such deficiency (assuming equal monthly payments into the Reserve Fund (or any subaccount therein) for such sixty (60) month period).

Notwithstanding anything herein to the contrary, the Issuer may establish a separate subaccount in the Reserve Fund for any one or more Series of Bonds and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided herein. To the extent one or more Series of Bonds is secured separately by a subaccount of the Reserve Fund, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Fund or any other subaccount therein. Moneys in a separate subaccount of the Reserve Fund shall be maintained at the Reserve Requirement applicable to such Series secured by the subaccount; provided the Supplemental Resolution or Supplemental Resolutions authorizing such Series of Bonds may establish the Reserve Requirement relating to such separate subaccount of the Reserve Fund at such level as the Issuer deems appropriate. Moneys shall be deposited in the separate subaccounts in the Reserve Fund on a pro-rata basis.

In the event the Issuer shall maintain a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and moneys in the Reserve Fund or any subaccount therein, the moneys shall be used prior to making any disbursements under such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit.

Notwithstanding the foregoing, in lieu of or in substitution for the required deposits into the Reserve Fund (or any subaccount therein), the Issuer may cause to be deposited into the Reserve Fund (or any subaccount therein) a Reserve Fund Insurance Policy and/or a Reserve Fund Letter of Credit in an amount equal to the difference between the applicable Reserve Requirement and the sums then on deposit in the Reserve Fund (or any subaccount therein) plus the amounts to be deposited therein pursuant to the preceding paragraph.

In the event the Reserve Fund (or any subaccount therein) contains both a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and cash, the cash shall be drawn down completely prior to any draw on the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit. In the event more than one Reserve Fund Insurance Policy or Reserve Fund Letter of Credit is on deposit in the Reserve Fund (or any subaccount therein), amounts required to be drawn thereon shall be done on a pro-rata basis calculated by reference to the maximum amounts available thereunder. The Issuer agrees to pay all Reimbursement Obligations in regard to any Reserve Fund Insurance Policy or Reserve Fund Letter of Credit from the Pledged Revenues. Pledged Revenues shall be applied in accordance with this Section 20(B)(2), on a pro-rata basis, to pay

Reimbursement Obligations to the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for amounts advanced under such instruments, replenish any cash deficiencies in the Reserve Fund, and to pay the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit interest on amounts advanced under such instruments. Notwithstanding anything herein to the contrary, this Resolution shall not be discharged or defeased while any Reimbursement Obligations are owing in regard to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit in the Reserve Fund. The Issuer agrees not to optionally redeem or exercise its rights to an extraordinary mandatory redemption or refund Bonds unless all Reimbursement Obligations owing in regard to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit in the Reserve Fund have been paid in full.

If five (5) days prior to an interest payment date, principal payment date or date an Amortization Installment is due or such other period of time as shall be established pursuant to a Supplemental Resolution, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest, principal or Amortization Installment due on the Bonds on such date, the Issuer shall immediately notify (1) the issuer of the applicable Reserve Fund Insurance Policy and/or the issuer of the Reserve Fund Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit, and (2) the Paying Agent of the amount of such deficiency and the date on which such payment is due, and shall take all action to cause such issuer to provide moneys sufficient to pay all amounts due on such interest payment date.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Fund Letter of Credit or Reserve Fund Insurance Policy by executing and delivering a reimbursement agreement therefore which evidences a Reimbursement Obligation; provided, however, any reimbursement agreement (1) shall not be or create a general obligation of the Issuer the payment of which is secured by the full faith and credit or taxing power of the Issuer, and (2) shall be payable or obligate the Issuer to pay solely from the Pledged Revenues in a manner which is not inconsistent with the terms hereof.

Notwithstanding anything herein to the contrary, Reimbursement Obligations relating to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for any fees, expenses, claims or draws upon such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be subordinate to the payment of debt service on the Bonds and to the payment of any Parity Contract Obligations. The right of the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit to payment of reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Fund, and subject to the second succeeding sentence, its right to reimbursement for claims or draws shall be prior to the replenishment of the cash drawn from the Reserve Fund. The Reserve Fund Insurance Policy or Reserve Fund Letter of

Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit reimbursement will be further subordinated to cash replenishment of the Reserve Fund to an amount equal to the difference between the full original amount available under the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and the amount then available for further draws or claims.

If any Reserve Fund Letter of Credit or Reserve Fund Insurance Policy shall terminate prior to the stated expiration date thereof, the Issuer agrees that it shall fund the Reserve Fund over a period not to exceed twelve (12) months during which it shall make consecutive equal monthly payments in order that the amount on deposit in the Reserve Fund shall equal the Reserve Requirement; provided, the Issuer may obtain a new Reserve Fund Letter of Credit or a new Reserve Fund Insurance Policy in lieu of making the payments required by this paragraph.

Moneys in the Reserve Fund and subaccounts therein shall be used only for the purpose of the payment of Amortization Installments, principal of, or interest on the Outstanding Bonds secured thereby when the other moneys allocated to the Bond Service Fund are insufficient therefor, and for no other purpose.

Permitted Investments on deposit in the Reserve Fund (or any subaccount therein) shall be valued at fair value pursuant to generally accepted accounting principles at least annually. In the event of the refunding of any Series of Bonds, the Issuer may withdraw from the Reserve Fund or subaccount securing such Series, all or any portion of the amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts as required by the Supplemental Resolution authorizing the refunding of such Series of Bonds; provided that such withdrawal shall not be made unless (a) immediately thereafter, the Bonds being refunded shall be deemed to have been paid pursuant to the provisions hereof, and (b) the amount remaining in the Reserve Fund (or any subaccount therein) after giving effect to the issuance of such refunding obligations and the disposition of the proceeds thereof shall not be less than the applicable Reserve Requirement for any Bonds then Outstanding which are secured thereby.

(3) From the moneys remaining in the Revenue Fund, the Issuer shall next deposit into the Subordinated Debt Service Fund an amount required to be paid as provided in the resolution or agreement of the Issuer authorizing such Subordinated Debt, but for no other purposes.

(4) The Issuer shall next apply and deposit monthly from the moneys remaining on deposit in the Revenue Fund into the Renewal, Replacement and

Improvement Fund, an amount at least equal to one-twelfth (1/12th) of five percent (5%) of the Gross Revenues received during the immediately preceding Fiscal Year. The moneys in the Renewal, Replacement and Improvement Fund shall be used only for the purpose of paying the cost of extraordinary repairs, extensions, enlargements or additions to, or the replacement of capital assets of the System or emergency repairs thereto. Notwithstanding anything herein to the contrary, the minimum balance in the Renewal, Replacement and Improvement Fund shall be an amount equal to five hundred thousand dollars (\$500,000), or such other amount as may be determined from time to time by the Consulting Engineers. Funds on hand in the Renewal, Replacement and Improvement Fund may be used to pay current Cost of Operation and Maintenance to the extent moneys on deposit in the Revenue Fund are insufficient for such purposes. The moneys on deposit in such fund may also be used to supplement the Reserve Fund (or any subaccount therein), if necessary, in order to prevent a default in the payment of the principal and interest on the Bonds.

(5) The Issuer may next make monthly transfers of remaining Gross Revenues of the System to its General Fund as payments in lieu of taxes; provided, however, such transfers in any Fiscal Year shall not exceed ten percent (10%) of Gross Revenues of the System received by the Issuer during the immediately preceding Fiscal Year.

(6) The balance of any moneys remaining in the Revenue Fund after the above required payments have been made shall be deposited into the Surplus Fund and may be used for any lawful purpose of the System; provided, however, so long as the amount on deposit in the Surplus Fund exceeds \$5,000,000 (after giving effect to the proposed interfund loan or loans), the Issuer may make an interfund loan or loans for purposes of financing the Issuer's various non-System capital improvements to the extent permitted by law and approved by the City Commission following a recommendation from the City Manager and Financial Services Director, and only if all current payments, including any deficiencies for prior payments, have been made in full and the Issuer is in full compliance with all the covenants and provisions of this Resolution.

(C) INVESTMENTS. Moneys in any fund or account created hereunder may be invested and reinvested in Permitted Investments which mature not later than the dates on which the moneys on deposit therein will be needed for the purpose of such fund. All income on such investments, except as otherwise provided, shall be deposited in the respective funds and accounts from which such investments were made and be used for the purposes thereof unless and until the maximum required amount (or, with respect to the Project Fund, the amount required to acquire, construct and erect the Project) is on deposit therein, and thereafter shall be deposited in the Revenue Fund.

In determining the amount of any of the payments required to be made pursuant to this Section 20(C), credit may be given for all investment income accruing to the respective funds and accounts described herein, except as otherwise provided.

(D) OPERATION AND MAINTENANCE. The Issuer will maintain the System and all parts thereof in good condition and will operate the same in an efficient and economical manner, making such expenditures for equipment and for renewals, repairs and replacements as may be proper for the economical operation and maintenance thereof.

(E) RATE COVENANT. The Issuer will fix, establish, revise from time to time whenever necessary, maintain and collect always such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide, Net Revenues in each Fiscal Year sufficient to pay one hundred ten percent (110%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year.

In addition to compliance with the paragraph above, Net Revenues in each Fiscal Year shall also be sufficient to provide one hundred percent (100%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year, any amounts required by the terms hereof to be deposited into the Reserve Fund (including any subaccount therein) or with any Credit Facility Issuer as a result of a withdrawal from the Reserve Fund (including any subaccount therein), the Renewal, Replacement and Improvement Fund and debt service on other obligations payable from the Revenues of the System, and other payments, and all allocations and applications of revenues herein required in such Fiscal Year.

Net Revenues shall not be reduced so as to render them insufficient to provide revenues for the purposes provided therefor by this Resolution.

(F) BOOKS AND ACCOUNTS; AUDIT. The Issuer shall keep proper books, records and accounts, separate and apart from all other records and accounts, showing correct and complete entries of all transactions of the System, and the Holders of any of the Bonds or any duly authorized agent or agents of such Holders shall have the right at any and all reasonable times to inspect such books, records and accounts. The Issuer shall cause, within two hundred seventy (270) days following the close of each Fiscal Year of the Issuer, an audit of such books, records and accounts to be made by an independent firm of certified public accountants.

Copies of each such audit report shall be placed on file with the Issuer and be made available at reasonable times for inspection by Holders of the Bonds.

(G) DISPOSITION OF SYSTEM.

The System may be sold or otherwise disposed of as a whole or substantially as a whole, only if the net proceeds to be realized, together with other moneys available for such purpose, shall be sufficient to fully retire all of the Outstanding Bonds issued pursuant to this Resolution

and all interest thereon to their respective dates of maturity or earlier redemption dates and to make any termination payments required under any Qualified Agreement. The proceeds from such sale or other disposition of the System shall immediately be deposited first in the Bond Service Fund and then in the Subordinated Debt Service Fund and shall be used only for the purpose of paying Parity Contract Obligations, and paying the principal of and interest on the Bonds and Subordinated Debt as the same shall become due, or the redemption of callable Bonds and Subordinated Debt, or the purchase of Bonds and Subordinated Debt at a price not greater than the redemption price of said Bonds and Subordinated Debt, or, if the Bonds or Subordinated Debt are not then redeemable prior to maturity, at prices not greater than the redemption price of such Bonds or Subordinated Debt on the next ensuing redemption date.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease, exchange or otherwise dispose of any of the tangible property or ownership interest in tangible property comprising a part of the System in the following manner, if any one of the following conditions exist: (a) such property is not necessary for the operation of the System or (b) such property is not useful in the operation of the System or (c) such property is not profitable in the operation of the System.

Prior to any sale, lease, exchange or other disposition of said property:

(1) if the amount to be received therefor is not in excess of one-half (1/2) of one percent (1%) of the value of the gross plant investment in the System, the officer of the Issuer charged with the normal acquisition, construction, operation, maintenance and repair of the portion of the System for which disposition is sought, may determine that such property comprising a part of such System is either no longer necessary, useful or profitable in the operation thereof.

(2) if the amount to be received therefor is in excess of one-half (1/2) of one percent (1%) of the value of the gross plant investment in the System, the officer of the Issuer charged with the normal acquisition, construction, operation, maintenance and repair of the portion of the System for which disposition is sought and the Consulting Engineers shall each first make a finding in writing determining that such property comprising a part of such System is either no longer necessary, useful or profitable in the operation thereof, and the Issuer shall, by resolution duly adopted, approve and concur in the finding of such authorized officer and the Consulting Engineers.

The net proceeds realized from such disposal of a part of the System shall be deposited in the Renewal, Replacement and Improvement Fund to the extent necessary to make the amount on deposit therein equal to the amount then required to be on deposit therein; and any additional moneys not needed for said fund shall be used for any capital expenditures in connection with the System or the purchase or redemption of Outstanding Bonds.



Notwithstanding any other provision of this Section 20(G) or this Resolution to the contrary, except for the initial paragraph of this Section 20(G), the Issuer may sell, lease, exchange or otherwise dispose of tangible property or an ownership interest in tangible property comprising a part of the System provided the duly authorized officer charged with the normal acquisition, construction, operation, maintenance and repair of the portion of the System for which disposition is sought, and the Qualified Independent Consultant each make a finding in writing, adopted and confirmed by resolution of the Issuer, determining that (i) such sale, lease, exchange or other disposition will not materially impair or restrict the Issuer's ability to realize Gross Revenues in compliance with the requirements therefor as set forth herein, and (ii) such sale, lease, exchange or other disposition is in the economic best interests of the Issuer.

Notwithstanding any other provision of this Section 20(G) or this Resolution to the contrary, the Issuer may transfer ownership and/or operation of all or a portion of the System to any public body authorized by the laws of the State to own and/or operate such System on an installment sale basis provided that the Issuer (i) has received an opinion of Bond Counsel stating the federal income tax exemption of the interest on the Bonds (not including taxable Bonds) will not be affected and has received an opinion of Bond Counsel stating that such sale is not prohibited by any applicable Florida law, and (ii) the Issuer adopts a resolution to the effect that, based upon such certificates and opinions of its Consulting Engineers, independent certified public accountants, Bond Counsel, Financial Advisor or other Qualified Independent Consultant as the Issuer shall deem necessary, desirable or appropriate, such transfer will not materially adversely affect the rights of the Holders of the Bonds.

(H) INSURANCE. The Issuer shall provide protection for the System both in accordance with the requirements of all agreements, if any, to which the Issuer may at the time be a party with respect to joint ownership of properties by the Issuer with others which is part of the System, and in accordance with Prudent Utility Practice. Said protection may consist of insurance, self-insurance and indemnities. The Issuer will keep, or cause to be kept, the works, plants and facilities comprising the properties of the System insured, and will carry such other insurance against fire and other risks, accidents or casualties at least to the extent and of the kinds that insurance is usually carried by utilities operating like properties. Any insurance shall be in the form of policies or contracts for insurance with insurers of good standing, shall be payable to the Issuer and may provide for such deductibles, exclusions, limitations, restrictions, and restrictive endorsements customary in policies for similar coverage issued to entities operating properties similar to the properties of the System. Any self-insurance shall be in the amounts, manner and of the type provided by entities operating properties similar to the properties of the System. In the event of any loss or damage to the System covered by insurance, the Issuer will, with respect to each such loss, promptly repair, reconstruct or replace the parts of the System affected by such loss or damage to the extent necessary to the proper conduct of the operation of the business of the System in accordance with Prudent Utility Practice, shall cause the proceeds of such insurance to be applied for that purpose to the extent required therefor, and pending such application, shall hold the proceeds of any insurance

policy covering such damage or loss in trust to be applied for that purpose to the extent required therefor. Any excess insurance proceeds received by the Issuer may be used by the Issuer for any lawful purpose. Notwithstanding the foregoing or any provisions of this Resolution to the contrary, the Issuer shall not be required to maintain insurance with respect to facilities for which insurance shall not be available at reasonable cost or for facilities which, in accordance with Prudent Utility Practice, are not customarily insured.

(I) NO FREE SERVICE. To the extent permitted by law, so long as any Bonds are Outstanding, the Issuer shall not furnish or supply the facilities, services and commodities of the System either free of charge or for a nominal charge to any person, firm or corporation, public or private, including the Issuer's departments, agencies and instrumentalities which avail themselves of the services of the System. To the extent permitted by law, the Issuer shall promptly enforce the payment of any and all accounts owing to the Issuer and delinquent, by discontinuing service or by filing suits, actions or proceedings, or by both discontinuance of service and filing suit.

(J) MANDATORY CUT OFF. To the extent permitted by law, the Issuer shall establish a written policy consistent with sound business judgment for the disconnection from the System of any customer who fails to pay for services rendered by the System, and shall enforce such policy diligently and fairly.

(K) ENFORCEMENT OF COLLECTIONS. The Issuer will diligently enforce and collect the rates, fees and other charges for the services and facilities of the System and will take all steps, actions and proceedings for the enforcement and collection of such rates, charges and fees as shall become delinquent to the full extent permitted or authorized by law; and will maintain accurate records with respect thereof. All such fees, rates, charges and revenues shall, as collected, be held in trust to be applied as herein provided.

(L) OPERATING BUDGET. The Issuer shall annually, prior to commencement of each of its Fiscal Years, prepare and adopt a budget of the estimated expenditures for the operation and maintenance of the System during such next succeeding Fiscal Year. In the event that electronic copies of the budgets are not available on the Issuer's official website, and upon reasonable request in writing by any Holder or Holders of Bonds or anyone acting for and on behalf of such Holder or Holders, the Issuer shall mail copies of such annual budgets (including any amendments thereto) to such Holder or Holders of Bonds or to anyone acting for and on behalf of such Holder or Holders who shall file his/her address with the Issuer. Bondholders shall pay reasonable actual cost of printing and mailing of such copies.

(M) MANDATORY CONNECTIONS; NO COMPETING SYSTEM. So long as service is in fact available as reasonably determined by the Issuer, the Issuer will, to the full extent permitted by law, require all lands, buildings and structures within the area being served by the System, to connect with and use such facilities within one year after notification. To the extent permitted by law, the Issuer will not grant a franchise for the operation of any competing utility

system or systems within the area served by the System until all Bonds issued hereunder, together with the interest thereon, and premium, if any, have been paid in full. Notwithstanding the foregoing, the Issuer shall not be required to duplicate services being provided by private or public utilities in the area being served by such private or public utilities on the date of issuance of the first Series of Bonds hereunder. In addition, the Issuer shall not be prohibited from allowing other private or public utilities to provide water or sewer services within the area being served by the System, if the Issuer shall not be providing such service in such area on that date. Nothing herein shall be deemed to constitute the approval of the Issuer for any private or public utility (other than the System) to provide any services within the boundaries of the Issuer or within the area being served by the System or within any other area of the Issuer.

(N) SUPERVISORY PERSONNEL. The Issuer, in operating the System, will employ or designate, as manager, one or more of its qualified employees, or an independent contractor, who have demonstrated ability and experience in operating similar facilities, and will require all such employees or independent contractors, as the case may be, who may have possession of money derived from the operation of the System to be covered by a fidelity bond, written by a responsible indemnity company in amounts fully adequate to protect the Issuer from loss.

(O) PAYMENT OF TAXES, ASSESSMENTS AND OTHER CLAIMS. The Issuer shall from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or payments in lieu thereof, lawfully imposed upon the properties constituting the System or the Gross Revenues when the same shall become due, as well as all lawful claims for labor and materials and supplies which, if not paid, might become a lien or charge upon such properties or any part thereof, or upon the Gross Revenues or which might in any way impair the security of the Bonds, except assessments, charges or claims which the Issuer shall in good faith contest by proper legal proceedings.

(P) ISSUANCE OF OTHER OBLIGATIONS. The Issuer shall issue no bonds or obligations of any kind or nature payable from or enjoying a lien on the Pledged Revenues if such obligations have priority over the Bonds or any Parity Contract Obligations with respect to payment or lien, nor shall the Issuer create or cause or permit to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien of the Bonds and any Parity Contract Obligations upon said Pledged Revenues. Notwithstanding any other provision in this Section 20(P), the Issuer may issue Additional Parity Obligations under the conditions and in the manner provided herein. Any obligations of the Issuer, other than the Bonds and any Parity Contract Obligations, which are payable from the Pledged Revenues shall contain an express statement that such obligations are junior and subordinate in all respects to the Bonds and any Parity Contract Obligations as to lien on and source and security for payment from such Pledged Revenues.

(Q) ISSUANCE OF ADDITIONAL PARITY OBLIGATIONS. No Additional Parity Obligations shall be issued after the issuance of the Series 2009 Bonds herein authorized, except upon the conditions and in the manner hereinafter provided:

(1) There shall have been obtained and filed with the Clerk a certificate of the Director of Financial Services stating: (a) that the books and records of the Issuer relative to the System and the Net Revenues have been reviewed by the Director of Financial Services; and (b) that the amount of the Net Revenues derived for any consecutive twelve (12) months out of the preceding thirty (30) months preceding the date of issuance of the proposed Additional Parity Obligations (the "Test Period") adjusted as provided in paragraphs (2), (3), (4), (5) and/or (6) below, is equal to and not less than 110% of the Maximum Bond Service Requirement becoming due in any Bond Year thereafter on (A) all Bonds issued under this Resolution, if any, then Outstanding, and (B) on the Additional Parity Obligations with respect to which such certificate is made.

(2) Upon recommendation of the Qualified Independent Consultants, the Net Revenues certified pursuant to (b) in the previous paragraph may be adjusted for purposes of this Section 20(Q) by including: (a) 100% of the additional Net Revenues which in the opinion of the Qualified Independent Consultant would have been derived by the Issuer from rate increases adopted before the Additional Parity Obligations are issued, if such rate increases had been adopted before the issuance of the Additional Parity Obligations, and (b) 100% of the additional Net Revenues estimated by the Qualified Independent Consultant to be derived during the first full twelve month period after the facilities of the System are extended, enlarged, improved or added to with the proceeds of the Additional Parity Obligations with respect to which such certificate is made.

(3) Upon recommendation of the Qualified Independent Consultants, if the Additional Parity Obligations are to be issued for the purpose of acquiring an existing water system and/or sewer system and/or any other utility system in accordance with Section 26 hereof, the Net Revenues certified pursuant to Section 20(Q)(1)(b) may be adjusted by including: 100% of the additional estimated Net Revenues which in the written opinion of the Qualified Independent Consultants will be derived from the acquired facilities during the first full 12-month period after the issuance of such Additional Parity Obligations (the Qualified Independent Consultants' report shall be based on the actual operating revenues of the acquired utility for a recent 12-month period adjusted to reflect the Issuer's ownership and the Issuer's rate structure in effect with respect to the System at the time of the issuance of the Additional Parity Obligations).

(4) Upon recommendation of the Qualified Independent Consultants, if the number of connections as of the first day of the month in which the proposed Additional

Parity Obligations are to be issued exceeds the average number of such connections during such twelve (12) consecutive month period, then the Net Revenues certified pursuant to Section 20(Q)(1)(b) may be adjusted to include the Net Revenues which would have been received in such twelve (12) consecutive months if those additional connections had also been connected to the System during all of such twelve (12) consecutive months.

(5) Upon recommendation of the Qualified Independent Consultant, if the Issuer shall have entered into a contract, which contract shall be for a duration of not less than the final maturity of the proposed Additional Parity Obligations, with any public body, whereby the Issuer shall have agreed to furnish services for the collection, treatment or disposal of sewage or agreed to furnish services in connection with any water system or any other utility system, then the Net Revenues certified pursuant to Section 20(Q)(1)(b) may be increased (to the extent such amounts were not reflected in such Net Revenues) by the minimum amount which the public body shall guarantee to pay in any one year for the furnishing of services by the Issuer, after deducting from such payment the estimated Cost of Operation and Maintenance attributable in such year to such services.

(6) Upon recommendations of the Qualified Independent Consultants, if there is an estimated increase in Net Revenues to be received by the Issuer as a result of additions, extensions or improvements to the System during the period of three (3) years following the completion of such additions, extensions or improvements financed with the proceeds of Bonds or Additional Parity Obligations, then the Net Revenues derived from the System certified pursuant to Section 20(Q)(1)(b) may be increased by fifty percent (50%) of the average annual additional Net Revenues calculated for such three year period.

(7) The Issuer need not comply with the provisions of paragraph (1) of this Section 20(Q) if and to the extent the Additional Parity Bonds to be issued are refunding bonds, if the Issuer shall cause to be delivered a certificate of the Director of Financial Services of the Issuer setting forth the Maximum Annual Debt Service Requirement (i) for the Bonds then Outstanding and (ii) for all Series of Bonds to be immediately Outstanding thereafter and stating that the Maximum Annual Debt Service Requirement pursuant to (ii) above is not greater than that set forth pursuant to (i) above. Furthermore, the Issuer need not comply with the provisions of paragraph (1) of this Section 20(Q) if and to the extent the Additional Parity Bonds to be issued legally defease all theretofore Outstanding Bonds.

(8) The Issuer need not comply with the provisions of paragraph (1) of this Section 20(Q) if and to the extent the Bonds to be issued are for the purpose of providing any necessary additional funds required for completion of any improvements to the

System ("Completion Bonds") if originally financed with the proceeds of Bonds; provided that such Completion Bonds for which the Issuer need not comply with the provision of such paragraph (1) of this Section 20(Q) may not exceed 10% of the total principal amount of Bonds estimated to be required for such improvements to the System at the time of issuance of the initial Series of Bonds to finance such improvements.

(9) The Director of Financial Services of the Issuer shall have certified that the Issuer is not in default in the carrying out of any of the obligations assumed under this Resolution and no event of default shall have occurred under this Resolution and shall be continuing, and all payments required by this Resolution to be made into the funds and accounts established hereunder shall have been made to the full extent required.

(10) The Supplemental Resolution authorizing the issuance of the Additional Parity Obligations shall recite that all of the covenants contained herein will be applicable to such Additional Parity Obligations.

(R) RATE STABILIZATION FUND. The Issuer may transfer into the Rate Stabilization Fund such moneys which are on deposit in the Surplus Fund as it deems appropriate. The Issuer may transfer such amount of moneys from the Rate Stabilization Fund to the Revenue Fund as it deems appropriate; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Rate Stabilization Fund shall be applied for the payment into the Interest Account, the Parity Contract Obligation Account, the Principal Account and the Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due and to pay any Parity Contract Obligations, but only to the extent moneys transferred from the Surplus Fund and Renewal, Replacement and Improvement Fund for such purposes pursuant to Sections 20(B)(4) and 20(B)(5) hereof, shall be inadequate to fully provide for such insufficiency.

Section 21. Defaults; Events of Default and Remedies. Except as provided below, if any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default:"

(A) Default in the due and punctual payment of any interest on the Bonds;

(B) Default in the due and punctual payment of the principal of and premium, if any, on any Bond, at the stated maturity thereof, or upon proceedings for redemption thereof;

(C) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer contained in this Resolution or in the Bonds and the continuance thereof for a period of thirty (30) days after written notice to the Issuer

given by the Holders of not less than twenty-five percent (25%) of aggregate principal amount of Bonds then Outstanding (provided, however, that with respect to any obligation, covenant, agreement or condition which requires performance by a date certain, if the Issuer performs such obligation, covenant, agreement or condition within thirty (30) days of written notice as provided above, the default shall be deemed to be cured);

(D) Failure by the Issuer promptly to remove any execution, garnishment or attachment of such consequence as will materially impair its ability to carry out its obligations hereunder; or

(E) Any act of bankruptcy or the rearrangement, adjustment or readjustment of the obligations of the Issuer under the provisions of any bankruptcy or moratorium laws or similar laws relating to or affecting creditors' rights.

The term "default" shall mean default by the Issuer in the performance or observance of any of the covenants, agreements or conditions on its part contained in this Resolution, any Supplemental Resolution or in the Bonds, exclusive of any period of grace required to constitute a default or an "Event of Default" as hereinabove provided.

Notwithstanding the foregoing, the occurrence of any default under a Qualified Agreement, including without limitation failure on the part of the Issuer to pay Parity Contract Obligations or to pay a termination fee under a Qualified Agreement, shall not be construed as or deemed to constitute an "Event of Default" hereunder; rather, such occurrence shall be remedied pursuant to such Qualified Agreement and applicable legal and equitable principles taking into account the parity status as to lien on Pledged Revenues which the counterparty to such Qualified Agreement enjoys as to Parity Contract Obligations only, relative to that of the Bondholders and their rights to payments hereunder.

For purposes of Section 21(A) and (B) hereof, no effect shall be given to any payments made under any Bond Insurance Policy.

Any Holder of Bonds issued under the provisions hereof or any trustee acting for the Holders of such Bonds may, either at law or in equity, 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 State or federal law, or granted and contained herein, and may enforce and compel the performance of all duties required herein or by any applicable law to be performed by the Issuer or by any officer thereof.

Nothing herein, however, shall be construed to grant to any Holder of the Bonds any lien on any property of the Issuer, except the Pledged Revenues.

The foregoing notwithstanding:

(i) No remedy conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholders hereunder.

(ii) No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient.

(iii) No waiver of any default or Event of Default hereunder by the Bondholders shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

(iv) Acceleration of the payment of principal of and interest on the Bonds shall not be a remedy hereunder in the case of an Event of Default.

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholders under this Resolution, the Bondholders shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the System and the funds pending such proceedings, with such powers as the court making such appointment shall confer.

Notwithstanding any provision of this Resolution to the contrary, for all purposes of this Section 21, except the giving of notice of any Event of Default to the Holder of the Bonds, any Insurer shall be deemed to be the Holder of the Bonds it has insured.

On the occurrence of an Event of Default, to the extent such rights may then lawfully be waived, neither the Issuer nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Resolution, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent it may lawfully do so, the benefit of all such laws and all right of redemption to which it may be entitled.

Within 30 days of knowledge thereof, both the Issuer and the Paying Agent shall provide notice to any and all Insurers of Bonds, if any, of the occurrence of any Event of Default.

The respective Insurers of Bonds, if any, shall be included as a party in interest and as a party entitled to (i) notify the Issuer or any applicable receiver of the occurrence of an Event of Default, and (ii) request the receiver to intervene in judicial proceedings that affect the Bonds or the security therefor. The receiver is required to accept notice of default from each Insurer of Bonds.



Anything in this Resolution to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, the Insurers of Bonds, if any, in default shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders under this Resolution, and the Insurers of Bonds, if any, in default shall also be entitled to approve all waivers of events of default.

Section 22. Amending and Supplementing of Resolution without Consent of Holders of Bonds. The Issuer, from time to time and at any time and without the consent or concurrence of any Holder of any Bonds, may adopt a Supplemental Resolution amendatory hereof or supplemental hereto if the provisions of such Supplemental Resolution shall not materially adversely affect the rights of the Holders of the Bonds then Outstanding, for any one or more of the following purposes:

(A) To make any changes or corrections in this Resolution as to which the Issuer shall have been advised by Bond Counsel that are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or omission or mistake or manifest error contained in this Resolution, or to insert in this Resolution such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable;

(B) To add additional covenants and agreements of the Issuer for the purpose of further securing the payments of the Bonds and any Parity Contract Obligations;

(C) To surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of this Resolution;

(D) To confirm, as further assurance, any lien, pledge or charge or the subjection to any lien, pledge or charge, created or to be created by the provisions of this Resolution;

(E) To grant to or confer upon the Holders or any Qualified Agreement Provider any additional right, remedies, powers, authority or security that lawfully may be granted to or conferred upon them;

(F) To assure compliance with federal "arbitrage" provisions in effect from time to time;

(G) To provide such changes as may be necessary in order to adjust the terms hereof (but not including the provisions of Section 20(E) and Section 20(Q) hereof) so as to facilitate the issuance of Variable Rate Bonds, Option Bonds, the execution of any Qualified Agreement, or to obtain a Credit Facility;

(H) To provide for the combination of the System with any other utility provided the conditions set forth in Section 26 hereof are satisfied;

(I) To provide for the transfer of the ownership and/or operation of the System pursuant to a governmental reorganization as set forth in Section 25 hereof;

(J) To facilitate the issuance of utility cost containment bonds by some legal entity other than the Issuer to be secured by a "utility project charge" or the like as contemplated in Section 27 hereof; or

(K) To modify any of the provisions of this Resolution in any other aspects provided that such modifications shall not be effective until after the Bonds Outstanding at the time such Supplemental Resolution is adopted shall cease to be Outstanding, or until the holders thereof consent thereto pursuant to Section 23 hereof, and any Bonds issued subsequent to any such modification shall contain a specific reference to the modifications contained in such Supplemental Resolution.

Except for Supplemental Resolutions providing for the issuance of Bonds pursuant hereto, the Issuer shall not adopt any Supplemental Resolution authorized by the foregoing provisions of this Section unless, in the opinion of Bond Counsel, the adoption of such Supplemental Resolution is permitted by the foregoing provisions of this Section.

Notwithstanding anything else in this Resolution to the contrary, any amendment or supplement to this Resolution, with the exception of the Supplemental Resolution relating to the issuance of Additional Parity Obligations, shall be subject to the prior written consent of each of the Insurers of the Bonds, if any. Each of the Insurers of the Bonds shall be provided with a full transcript of all proceedings relating to the execution of any such amendment or supplement.

Section 23. Amendment of Resolution with Consent of Holders of Bonds. Except as provided in Section 22 hereof, no material modification or amendment of this Resolution or of any resolution supplemental hereto shall be made without the consent in writing of the Holders of fifty-one percent (51%) or more in the principal amount of the Bonds of each Series so affected and then Outstanding and any Qualified Agreement Provider. For purposes of this Section, to the extent any Bonds are insured by a Bond Insurance Policy or are secured by a Credit Facility and such Bonds are then rated in as high a rating category as the rating category in which such Bonds were rated at the time of initial issuance and delivery thereof by either S&P, Moody's or Fitch or successors and assigns, then the consent of the Insurer or Insurers of such Bond Insurance Policy or the issuer or issuers of such letter of credit shall be deemed to constitute the consent of the Holder of such Bonds. No modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon or in the amount of the principal obligation thereof or reduce the percentage of the Holders of the Bonds required to consent to any material modification or amendment hereof without the consent of the Holder or Holders of all such obligations. For purposes of the immediately preceding sentence, the issuer or issuers of a Bond Insurance Policy or a Credit Facility shall not consent on behalf of the Holders of the Bonds. No amendment or supplement pursuant to this

Section 23 (but not including Section 22 hereof) shall be made without the consent of each of the Insurers of Bonds.

Notwithstanding anything else in this Resolution to the contrary, any amendment or supplement to this Resolution, with the exception of the Supplemental Resolution relating to the issuance of Additional Parity Obligations, shall be subject to the prior written consent of each of the Insurers of the Bonds. Any rating agency rating the Bonds must receive notice of each amendment and a copy thereof at least fifteen (15) days in advance of its execution or adoption. Each of the Insurers of the Bonds shall be provided with a full transcript of all proceedings relating to the execution of any such amendment or supplement.

Section 24. Defeasance. The covenants and obligations of the Issuer shall be defeased and discharged under terms of this Resolution as follows:

(A) If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to any Qualified Agreement Provider any and all Parity Contract Obligations and to the Holders of all Bonds the principal, redemption premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated herein, then the pledge of the Pledged Revenues and all covenants, agreements and other obligations of the Issuer to any Qualified Agreement Provider and the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to any Qualified Agreement Provider any and all Parity Contract Obligations and to the Holders of any Outstanding Bonds the principal, redemption premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated herein, such Parity Contract Obligations and such Bonds shall cease to be entitled to any lien, benefit or security under this Resolution, and all covenants, agreements and obligations of the Issuer to any Qualified Agreement Provider and the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

(B) The Bonds, redemption premium, if any, and interest due or to become due for the payment or redemption of which moneys shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (A) of this Section 24. Subject to the provisions of paragraph (C) and (D) of this Section 24, any Outstanding Bonds shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in paragraph (A) of this Section if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the escrow agent instructions accepted in writing by the escrow agent to notify Holders of Outstanding Bonds in the manner required herein of the redemption of such Bonds on said date, and (ii) there shall have been deposited with the escrow agent either moneys in an amount which shall be sufficient, or Acquired Obligations (including any Acquired Obligations issued or held in book-entry form

on the books of the Department of the Treasury of the United States) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the escrow agent at the same time, shall be sufficient, to pay when due the principal of and premium, if any, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be. In the event of a defeasance pursuant to clause (ii) above, the Issuer shall cause to be delivered a verification report of an independent nationally recognized certified public accountant. If a forward supply contract is employed in connection with the refunding, (i) such verification report shall expressly state that the adequacy of the escrow to accomplish the refunding project relies solely on the initial escrowed investments and the maturing principal thereof and interest income thereon and does not assume performance under or compliance with the forward supply contract, and (ii) the applicable escrow agreement shall provide that in the event of any discrepancy or difference between the terms of the forward supply contract and the escrow agreement and this Resolution, the terms of the escrow agreement and this Resolution shall be controlling.

(C) For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Acquired Obligations and moneys, if any, in accordance with paragraph (B) of this Section 24, the interest to come due on such Variable Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated assuming that interest thereon will accrue at the maximum rate of interest such Variable Rate Bonds may bear pursuant to the Supplemental Resolution authorizing the issuance thereof, or the maximum rate permitted by law if such Supplemental Resolution provides no maximum rate of interest.

(D) Option Bonds shall be deemed to have been paid in accordance with the second sentence of paragraph (B) of this Section 24 only if, in addition to satisfying the requirements of clauses (i) and (ii) of such sentence, there shall have been deposited with the escrow agent moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and redemption premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; provided, however, that if, at the time a deposit is made with the escrow agent pursuant to paragraph (B) of this Section 24, the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this paragraph (D). If any portion of the moneys deposited with the escrow agent for the payment of the principal of and redemption premium, if any, and interest on Option Bonds is not required for such purpose, the escrow agent shall, if requested by the Issuer, pay the amount of such excess to the Issuer free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under the Resolution.

Section 25. Governmental Reorganization. Notwithstanding any other provisions of this Resolution, this Resolution shall not prevent any lawful reorganization of the governmental

structure of the Issuer, including a merger or consolidation of the Issuer with another public body or the transfer of a public function of the Issuer to another public body, provided that any reorganization which affects the System shall provide that the System shall be continued as a single enterprise and that any public body which succeeds to the ownership and operation of the System shall also assume all rights, powers, obligations, duties and liabilities of the Issuer under this Resolution and pertaining to all Bonds and any Qualified Agreement.

Section 26. Additional Utility Functions. The Issuer may expand the utility functions of the System as they exist on the date hereof as permitted in the definition of "System" contained herein, provided that the Issuer has received the prior written consent of the Insurer, if any, (provided the Insurer is not in default of its obligations under its Credit Facility), and adopted resolutions of the Issuer to the effect that, based upon such certificates and opinions of its Consulting Engineers, independent certified public accountants, Bond Counsel, Financial Advisor or other Qualified Independent Consultants as the Issuer shall deem necessary, desirable or appropriate, the addition of such utility functions (a) will not impair the ability of the Issuer to comply with the provisions of this Resolution, and (b) will not materially adversely affect the rights of the Holders of the Bonds.

Section 27. Utility Cost Containment Bonds. Pursuant to section 163.09, Florida Statutes, notwithstanding anything herein to the contrary, (i) if permitted by applicable law, the Issuer may in the future cause or permit the creation of a property right referred to as a "utility project charge" or the like, levied on customers of the System as a separate charge on the utility bill, to secure utility cost containment bonds or other indebtedness issued or incurred by an interlocal agency or limited liability company in order to finance or refinance a utility project of the Issuer or the System; (ii) revenues from a utility project charge shall not constitute a Gross Revenue of the Issuer or the System for any purpose, including any dedication, commitment, or pledge of revenue, receipts, or other income that the Issuer or the System has made or will make for the security of any of its obligations; and (iii) if the Issuer or the System shall hold the money collected in trust from such utility project charge, such money shall not become a Gross Revenue by virtue of possession by the Issuer or the System.

Section 28. Qualified Agreements. Any payments received by the Issuer from a Qualified Agreement Provider shall constitute Gross Revenues hereunder. Any payments to a Qualified Agreement Provider under a Qualified Agreement so designated by the Issuer, can constitute Parity Contract Obligations or Subordinated Debt. Notwithstanding the foregoing, termination payments, indemnification payments, or other fees to be paid by the Issuer to a Qualified Agreement Provider under a Qualified Agreement and which do not constitute regularly scheduled payments determined by reference to interest on a notional amount may only constitute Subordinated Debt, and may not constitute Parity Contract Obligations.

The Issuer may enter into one or more Qualified Agreements with respect to one or more Series of Bonds (or portions thereof); provided, however, that if such Qualified Agreement

is not entered into at the time of initial issuance of the Series of Bonds to which it relates, the requirements of Section 20(Q)(1) hereof must be met, applying the same as if \$1.00 in principal amount of Additional Parity Bonds is being issued as of the effective date of such Qualified Agreement.

Section 29. Payments to Credit Facility. In connection with any Bonds, the Issuer may obtain or cause to be obtained one or more Credit Facilities and agree with any Credit Facility Issuer to reimburse such issuer directly for amounts paid under the terms of such Credit Facility, together with interest thereof; provided, however, that no obligation to reimburse a Credit Facility Issuer shall be created, for purposes of this Resolution, until amounts are paid under such Credit Facility. Such payments are referred to herein as "Reimbursement Obligations." Any Reimbursement Obligation may be secured by a pledge of and a lien on the Pledged Revenues on a subordinate basis to the lien created herein in favor of the Holders of the Bonds and any Qualified Agreement Provider. Any such Reimbursement Obligation shall be deemed to be a part of the Series to which the Credit Facility which gave rise to such Reimbursement Obligation relates. Payments to reimburse the issuer of a Credit Facility shall constitute Subordinated Debt.

Section 30. Capital Appreciation Bonds. For the purposes of (i) receiving payment of the redemption price of a Capital Appreciation Bond if redeemed prior to maturity, (ii) computing Bond Service Requirement, and (iii) computing the amount of Holders required for any notice, consent, request or demand hereunder for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

Section 31. Tax Covenants.

(A) The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it shall not use the proceeds of such Series of Bonds in any manner which would cause the interest on such Series of Bonds to be or become includable in the gross income of the Holder thereof for federal income tax purposes.

(B) The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of such Series of Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series of Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on such Series of Bonds to become includable in the gross income of the Holder thereof for federal income tax purposes.

(C) The Issuer hereby covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from the gross income of the Holder thereof for federal

income tax purposes, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

(D) The Issuer hereby covenants with the Holders of each Series of Build America Bonds that it will comply with all provisions of the Code necessary to maintain the status of such bonds as Build America Bonds within the meaning of the Code. In the case of Build America Bonds for which the Issuer irrevocably elects to receive a refundable credit from the United States Treasury, the Issuer covenants to comply with all provisions of the Code necessary to maintain the status of such bonds as "qualified bonds" within the meaning of the Code.

(E) The Issuer may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is (or may be) includable in the gross income of the Holder thereof for federal income tax purposes, so long as each Bond of such Series states in the body thereof that interest payable thereon is (or may be) subject to federal income taxation and provided that the issuance thereof will not cause the interest on any other Bonds theretofore issued hereunder to be or become includable in the gross income of the Holder thereof for federal income tax purposes. The covenants set forth in paragraphs (A), (B) and (C) above shall not apply to any Taxable Bonds.

(F) There is hereby created and established a fund to be known as the "City of Tamarac Utility System Revenue Bonds Rebate Fund" (the "Rebate Fund"), and a separate account therein for each Series of Bonds. The Issuer shall deposit into the appropriate account in the Rebate Fund, from investment earnings on moneys deposited in the other funds and accounts created hereunder, or from any other legally available funds of the Issuer, an amount equal to the Rebate Amount for such Rebate Year. The Issuer shall use such moneys deposited in the appropriate account in the Rebate Fund only for the payment of the Rebate Amount to the United States as required by this Section 30. In complying with the foregoing, the Issuer may rely upon any instructions or opinions from Bond Counsel.

If any amount shall remain in the Rebate Fund after payment in full of all Bonds issued hereunder that are not Taxable Bonds and after payment in full of the Rebate Amount to the United States in accordance with the terms hereof, such amounts shall be available to the Issuer for any lawful purpose.

The Rebate Fund shall be held separate and apart from all other funds and accounts of the Issuer, shall not be impressed with a lien in favor of the Bondholders and the moneys therein shall be available for use only as herein provided.

Section 32. Bond Anticipation Notes Authorized for Interim Financing. Pursuant to authority granted by Section 215.431, Florida Statutes, the Issuer is authorized to issue Bond Anticipation Notes (which may include Grant Anticipation Notes for all purposes of this Section 32) in one or more series, from time to time for the purposes authorized by this

Resolution, and for the purpose of obtaining interim financing. Prior to the sale of Bonds authorized by this Resolution, the Issuer may issue its Bond Anticipation Notes as provided herein and as provided in Section 215.431, Florida Statutes. Any such Bond Anticipation Notes authorized by the Issuer shall be issued upon the adoption of a resolution by the Issuer specifying the amount of Bond Anticipation Notes to be issued, the series designation, the maturity of such Bond Anticipation Notes, the denomination, date and the rate of interest which shall be borne by such Bond Anticipation Notes which shall not be at a rate greater than the highest rate authorized by law. Any such Bond Anticipation Notes issued may be sold in the manner provided by Section 215.431, Florida Statutes and shall satisfy all other requirements contained therein, including those related to the maturity of such Bond Anticipation Notes.

Section 33. Additional Rights to Insurers. All notices required to be given to any party hereunder shall also be given to the Insurer, if any. Pursuant to one or more Supplemental Resolutions, the Issuer may provide additional rights, covenants, agreements and restrictions relating to any Insurer and any Bond Insurance Policy.

Section 34. Severability. If any one or more of the covenants, agreements or provisions of this Resolution should 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 or shall in any manner be held to adversely affect the validity of the Bonds, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution or of the Bonds issued hereunder.

Section 35. Sale of Bonds. The Bonds may be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the requirements of this Resolution and other applicable provisions of law.

Section 36. General Authority. The members of the City Commission of the Issuer and the Issuer's officers, attorneys and other agents and employees are hereby authorized to perform all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel to effectuate the sale of the Bonds to said initial purchasers.

Section 37. No Third Party Beneficiaries. Except such other Persons as may be expressly described herein, in the Bonds, or in a Qualified Agreement, nothing in this Resolution, or in the Bonds, expressed or implied, is intended or shall be construed to confer upon any Person, other than the Issuer and the Holders, any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bonds or any Qualified Agreement, all provisions hereof and thereof being intended to be and being for



the sole and exclusive benefit of the Issuer and the Persons who shall from time to time be the Holders and any Qualified Agreement Provider.

Section 38. No Personal Liability. Neither the members of the City Commission of the Issuer, any person executing the Bonds, any other charter employees, nor employees of the Issuer shall be personally liable therefor or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 39. Amendment and Restatement; Repeal of Inconsistent Instruments. Resolution No. R-2009-96 previously adopted by the City Commission of the Issuer is hereby amended and restated in its entirety. All other resolutions or parts or resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 40. Effective Date. This Resolution shall become effective upon such time as (i) its adoption, (ii) the Issuer is in receipt of written consent of the 2009 Insurer, and (iii) the Issuer is in receipt of evidence of 51% Bondholder consent.

PASSED AND ADOPTED 11<sup>th</sup> day of October, 2016.

CITY OF TAMARAC, FLORIDA

---

Harry Dressler, Mayor

ATTEST:

---

Patricia A. Teufel, CMC  
City Clerk

I HEREBY CERTIFY that I have  
approved this Resolution as to form

---

Samuel S. Goren  
City Attorney

**EXHIBIT A**

**2009 INSURER CONSENT TO AMENDMENTS**

**CONSENT OF ASSURED GUARANTY CORP.**

The undersigned hereby certifies that he/she is authorized to execute and deliver this consent on behalf of Assured Guaranty Corp. ("Assured Guaranty"), as issuer of financial guaranty insurance policy in connection with the City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009 issued pursuant to Resolution No. R-2009-96 adopted by the City Commission of the City of Tamarac, Florida on July 22, 2009, as amended and supplemented from time to time (collectively, the "Bond Resolution"). Capitalized undefined terms used and not otherwise defined herein shall have the meanings ascribed in the Bond Resolution.

Section 23 of the Bond Resolution provides for amendments to the Bond Resolution to become effective, among other conditions, the prior written consent of Assured Guaranty.

Pursuant to Section 23 of the Bond Resolution, Assured Guaranty hereby consents to those certain amendments to the Bond Resolution which such amendments are included in the amended and restated Bond Resolution in the form attached hereto as Appendix A.

Neither this consent nor any past, present or future consents, waivers, actions, amendments or other agreements, individually or in combination, may be construed to imply or impose upon Assured Guaranty any intention, agreement, obligation or undertaking to grant future consents, waivers or amendments or to limit the ability of Assured Guaranty to exercise any and all of its rights in connection with the Bonds referred to herein or any related transaction documents, all of which shall remain unmodified and in full force and effect except as to the modifications consented to hereinabove. In addition, Assured Guaranty makes no representation as to whether the consent of any other party is required in connection herewith.

Dated this 29 day of September, 2016

ASSURED GUARANTY CORP.

By: \_\_\_\_\_

Name: Daniel Weinberg

Title: Director

**APPENDIX A TO THE  
CONSENT OF ASSURED GUARANTY CORP.  
IS INTENTIONALLY OMITTED AND  
ON FILE WITH THE CITY CLERK**

**MASTER UTILITY SYSTEM BOND RESOLUTION**

**RESOLUTION NO. R-2009-96, AS AMENDED AND RESTATED IN ITS ENTIRETY BY**  
**RESOLUTION NO. R-2016-**\_\_\_\_\_

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SECTION 37. Section 38..... No Personal Liability.**Error! Bookmark not defined.**

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CITY OF TAMARAC, FLORIDA  
RESOLUTION NO. R-2016-

A RESOLUTION AMENDING AND RESTATING RESOLUTION NO. R-2009-~~A—RESOLUTION~~96 IN ITS ENTIRETY; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED ~~\$6,000,000~~22,000,000 UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES ~~2009~~2016A FOR THE PURPOSE OF ~~ADVANCE~~ REFUNDING A PORTION OF THE OUTSTANDING CITY OF TAMARAC, FLORIDA ~~CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2004, FUNDING NECESSARY RESERVES, AND PAYING COSTS RELATED THERETO, NOT TO EXCEED \$6,000,000—~~UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2009B—FOR THE PURPOSE OF CURRENTLY AND FINANCING THE COST OF IMPROVEMENTS TO THE CITY'S UTILITY SYSTEM, AND PAYING COSTS RELATED THERETO; AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$5,000,000 UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2016B (TAXABLE) FOR THE PURPOSE OF REFUNDING ~~ALL~~A PORTION OF THE OUTSTANDING CITY OF TAMARAC, FLORIDA ~~CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2006, FUNDING NECESSARY RESERVES, AND PAYING COSTS RELATED THERETO AND NOT TO EXCEED \$6,000,000—~~UTILITY SYSTEM REVENUE BONDS, SERIES 2009C TO FINANCE THE COST OF IMPROVEMENTS TO THE UTILITY SYSTEM, FUNDING NECESSARY RESERVES, AND PAYUTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2009, AND PAYING COSTS RELATED THERETO; PLEDGING CERTAIN NET REVENUES OF THE UTILITY SYSTEM FOR THE PAYMENT OF SUCH BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; ~~PROVIDING FOR THE ISSUANCE OF TEMPORARY BOND ANTICIPATION NOTES;~~ MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Tamarac, Florida (the "Issuer") previously adopted Resolution No. R-2009-96 on July 22, 2009 (the "Original Resolution"); and

WHEREAS, the Issuer then issued \$14,020,000 of its Utility System Refunding Revenue Bonds, Series 2009 (the "Series 2009 Bonds") to refinance certain indebtedness and to finance the costs of improvements to the System (as such term is hereinafter defined) pursuant to the Original Resolution; and

WHEREAS, all of such Series 2009 Bonds are insured by a financial guaranty insurance policy issued by Assured Guaranty Corp. (the "2009 Insurer"); and

WHEREAS, the Issuer desires to make certain amendments to the Original Resolution; and

WHEREAS, in accordance with Section 23 of the Original Resolution, attached hereto as Exhibit A, the Issuer has obtained the prior written consent of the 2009 Insurer and by purchase of the Series 2016 Bonds, the Series 2016 Bondholders shall be deemed to have consented to the amendments included within this Resolution which amends and restates the Original Resolution, which amendments shall become effective upon the later of receipt of prior written consent of the 2009 Insurer and consent of at least 51% of the Holders of Bonds then Outstanding, which is expected to occur not later than the issuance of the Series 2016 Bonds.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TAMARAC, FLORIDA:

Section 1.     ~~SECTION 1.—~~Authority for this Resolution. This Resolution is adopted pursuant to the provisions of Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 159, Florida Statutes, Part I, Chapter 166, Part II, Florida Statutes, the municipal charter of the City of Tamarac, Florida, and other applicable provisions of law (collectively, the "Act") and the Original Resolution.

Section 2.     ~~SECTION 2.—~~Definitions. Unless the context otherwise requires, the terms used in this Resolution shall have the meanings specified in this Section 2. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption of the Capital Appreciation Bonds, if

such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

"Acquired Obligations" shall mean cash, direct non-callable obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to which direct obligation or guarantee the full faith and credit of the United States of America has been pledged, Refcorp interest strips, CATS, TIGRS, STRPS, defeased municipal bonds rated AAA by S&P or Aaa by Moody's (or any combination thereof) or direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank, certificates of beneficial ownership of the Farmers Home Administration, obligations of the Federal Financing Bank, participation certificates of the General Services Administration, Guaranteed Title XI financings of the U.S. Maritime Administration and project notes of the U.S. Department of Housing and Urban Development.

With respect to any Series of Bonds, the definition of Acquired Obligations set forth above may be further limited as set forth in a Supplemental Resolution of the Issuer adopted prior to the issuance of such Bonds.

"Additional Parity Obligations" shall mean additional obligations issued or incurred in compliance with the terms, conditions and limitations contained herein and which (i) shall have a lien on the Pledged Revenues equal to that of the Outstanding Bonds and any Parity Contract Obligations, (ii) shall be payable from the Pledged Revenues on a parity with the Outstanding Bonds and any Parity Contract Obligations, and (iii) shall rank equally in all other respects with the Outstanding Bonds and any Parity Contract Obligations.

"Amortization Installment" shall mean an amount designated as such by Supplemental Resolution of the Issuer and established with respect to any Term Bonds.

"Average Annual Bond Service Requirement" shall mean, as of each date on which a Series of Bonds is issued, the total amount of Bond Service Requirement which is to become due on all Bonds deemed to be Outstanding immediately after the issuance of such Series of Bonds divided by the total number of years for which Bonds are deemed to be Outstanding, except that with respect to any Bonds for which Amortization Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Amortization Installments to be made in prior Bond Years.

"Bond Anticipation Notes" shall mean notes described in Section 31 hereof of the Issuer issued in anticipation of any Series of Bonds and shall be secured by, amongst other things, a first lien on the proceeds of the Bonds for which such Bond Anticipation Notes were issued.

"Bond Counsel" shall mean Bryant Miller Olive P.A., or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Insurance Policy" shall mean the municipal bond new issue insurance policy or policies issued by an Insurer guaranteeing the scheduled payment of principal of and interest on any portion of such Series of Bonds when due as determined by Supplemental Resolution, if any.

"Bond Service Fund" shall mean the Bond Service Fund created and established pursuant to Section 16 of this Resolution.

"Bond Service Requirement" shall mean, for any Bond Year, at any time, the amount required to be deposited in such Bond Year into the Bond Service Fund, as provided herein including any Reimbursement Obligations (any interest shall not include interest to the extent it is to be paid from a direct subsidy payment expected to be received from the United States Treasury relating to "Build America Bonds" issued pursuant to ~~Section 54AA of~~ the Code, or any other interest subsidy or similar payments made by the Federal government). In calculating such amount, the Issuer shall subtract therefrom any amounts to be transferred from the Project Fund for the purpose of paying interest on the Bonds. With respect to Variable Rate Bonds which are not subject to a Qualified Agreement, if any, the interest rate used to calculate the Bond Service Requirement shall be the higher of (i) the actual rate on the date of calculation, or if the indebtedness is not yet outstanding, the initial rate (if established and binding), (ii) if the indebtedness has been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) if the indebtedness has been outstanding for twelve months or less, (1) if interest on the indebtedness is excludable from gross income under the applicable provisions of the Internal Revenue Code, the most recently published Bond Buyer 25 Bond Revenue Index (or comparable index if no longer published) plus fifty (50) basis points, or (2) if interest is not so excludable, the interest rate on direct U.S. Treasury Obligations with comparable maturities plus fifty (50) basis points; provided, however, that for purposes of any rate covenant measuring actual debt service coverage during a test period, Variable Rate Bonds which are not subject to a Qualified Agreement shall be deemed to bear interest at the actual rate per annum applicable during the test period. If Bonds are Option Bonds, the date or dates of tender shall be disregarded, unless actually tendered and not

remarketed, and the stated maturity dates thereof shall be used for purposes of this calculation. If the Issuer has entered into a Qualified Agreement with respect to ~~certain~~ Variable Rate Bonds Outstanding hereunder or to be issued hereunder, the interest coming due on such Variable Rate Bonds for purposes of this definition shall be deemed to be based upon the synthetic fixed interest rate under the Qualified Agreement, without giving any regard to fees and expenses incurred in connection with the purchase of a liquidity facility. If the Issuer has entered into a Qualified Agreement with respect to certain Bonds Outstanding hereunder or to be issued hereunder which have a fixed rate of interest, the interest coming due on such Bonds for purposes of this definition shall be deemed to be based upon the assumptions described above for Variable Rate Bonds, without giving any ~~regards~~regard to fees and expenses incurred in connection with the purchase of a liquidity facility.

"Bond Year" shall mean the period commencing on October 2 of the preceding year and ending twelve months later on October 1.

"Bonds" shall mean (i) ~~the~~any Series 2009A Bonds, not being refunded, (ii) the Series ~~2009B Bonds and the Series 2009C~~2016 Bonds herein authorized to be issued, and (~~iii~~) any Additional Parity Obligations issued hereafter in accordance with the provisions hereof.

"Build America Bond" shall mean any taxable bond issued by the Issuer pursuant to ~~Section 54AA of~~ the Code for which either (1) the Issuer receives direct subsidy payments in an amount equal to a percentage of the interest paid on such bond, or (2) the holder of such bond receives a tax credit in an amount equal to a percentage of the interest paid on such bond.

"Capital Appreciation Bonds" shall mean the aggregate principal amount of the Bonds that bear interest payable solely at maturity or upon redemption prior to maturity in the amounts determined by reference to the Accreted Value, all as shall be determined by Supplemental Resolution of the Issuer. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"Capital Appreciation Income Bonds" shall mean those Bonds initially issued as Capital Appreciation Bonds and which become Serial Bonds when the original issue amount and the Accreted Value equals \$5,000 principal amount or an integral multiple thereof as determined by Supplemental Resolution of the Issuer.

"City Attorney" shall mean the City Attorney of the Issuer, or any assistant or deputy City Attorney of the Issuer.

"City Clerk " shall mean the City Clerk of the Issuer, or any assistant or deputy City Clerk of the Issuer.

"City Manager" shall mean the City Manager of the Issuer, or any assistant or deputy City Manager of the Issuer.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules thereunder in effect or proposed.

"Connection Fees" shall mean the charges imposed on those connecting to the System for the actual cost of physically connecting into the System; provided, however, that "Connection Fees" shall not include impact fees.

"Consulting Engineers" shall mean one or more independent, qualified and recognized consulting engineers or firm of consulting engineers having favorable reputé, skill and experience with respect to the planning and operation of the System who shall be retained from time to time by the Issuer.

"Contributions in Aid of Construction" shall mean any amount or item of money, services, or property received by the Issuer, any portion of which is provided at no cost to the System, which represents an addition or transfer to the capital of the System, and which is utilized to offset the acquisition, improvement or construction costs of the System.

"Cost of Operation and Maintenance" of the System shall mean the then current expenses, paid or accrued, in the operation, maintenance and repair of the System, as calculated in accordance with generally accepted accounting principles, including, but not limited to, general administrative and indirect labor costs, personal services, contractual services, repairs and maintenance, and materials and supplies, but shall not include capital expenditures, any reserve for renewals and replacements, any allowance for depreciation, any Bond Service Requirement, any payments in lieu of taxes, franchise fees or other transfers.

"Credit Facility" or "Credit Facilities" shall mean either individually or collectively, as appropriate, any bond insurance policy, surety bond, letter of credit, line of credit, guaranty or other instrument or instruments that would enhance the credit of the Bonds.

"Credit Facility Issuer" or "Credit Facility Issuers" shall mean the provider or providers of a Credit Facility or Credit Facilities.

"Director of Financial Services" shall mean the Director of Financial Services of the Issuer, or any assistant or deputy Director of Financial Services of the Issuer.



"Federal Securities" shall mean direct obligations of the United States of America and obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. Federal Securities shall also include direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities and the interest component of Resolution Funding Corp. (REFCORP) strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form.

With respect to any Series of Bonds, the definition of Federal Securities set forth above may be further limited as set forth in a Supplemental Resolution of the Issuer adopted prior to the issuance of such Bonds.

"Financial Advisor" shall mean ~~the~~Larson Consulting Services, LLC, or any other appropriately licensed financial advisor appointed from time to time by the Issuer.

"Fiscal Year" shall mean the period commencing on October 1 of each year and ending on the next succeeding September 30 or such other annual period as may be prescribed by law from time to time for the Issuer.

"Fitch" shall mean Fitch Ratings, and any assigns or successors thereto.

"Gross Revenues" or "Revenues" shall mean all income and earnings, including Connection Fees, received by the Issuer or accrued to the Issuer from the ownership, use or operation of the System and all parts thereof, including, without limitation, unencumbered, non-ad valorem special assessments which are not pledged for the repayment of, or as security for, any indebtedness of the Issuer, whether currently outstanding or hereafter issued, other than the Bonds and which are legally available to be used as contemplated hereunder, moneys deposited from the Rate Stabilization Fund into the Revenue Fund in accordance with the terms hereof, provided any moneys transferred from the Rate Stabilization Fund into the Revenue Fund within 90 days following the end of a Fiscal Year may be designated by the Issuer as Gross Revenues of such prior Fiscal Year, and shall also include investment income, if any, earned on any fund or account created pursuant to this Resolution, except the Rebate Fund, all as calculated in accordance with generally accepted accounting principles, and any payment received by the Issuer as contemplated in Section 27 hereof, but "Gross Revenues" or "Revenues" shall not include any direct subsidy payments received from the United States Treasury relating to ~~"Build America Bonds"~~ issued pursuant to ~~Section 54AA of~~ the Code or any other interest subsidy or similar payments made by the Federal government, non-ad valorem special assessments which are pledged for the repayment of, or as security for, any indebtedness of the City, whether currently outstanding or hereafter issued, other than the Bonds, proceeds from the sale or other disposition of the System or any part thereof, condemnation awards or proceeds of

insurance received with respect to the System ~~and~~<sub>z</sub> moneys deposited to the Rate Stabilization Fund from the Surplus Fund, including any moneys transferred from the Surplus Fund to the Rate Stabilization Fund within 90 days following the end of a Fiscal Year which the Issuer determines not to be Gross Revenues of such prior Fiscal Year, Contributions in Aid of Construction, ~~or~~ unrealized gains or losses from investments or any "utility project charge" or the like as contemplated in Section 27 hereof.

"Holder" or "Bondholders" or any similar term shall mean any persons who shall be the registered owner of any ~~outstanding~~Outstanding Bonds.

"Insurer" shall mean, with respect to any Series of Bonds, such Person, as specifically designated by Supplemental Resolution, as shall be insuring or guaranteeing the scheduled payment of principal of and interest on such Series of Bonds, when due.

"Interest Account" shall mean the special account of the same name created within the Bond Service Fund.

"Interest Date" or "interest payment date" shall be such date or dates for the payment of interest on a Series of Bonds as shall be provided in the Bonds themselves.

"Issuer" or "City" shall mean the City of Tamarac, Florida.

"Maximum Bond Service Requirement" shall mean, as of any particular date of calculation, the greatest amount of aggregate Bond Service Requirement for the then current or any future Bond Year, except that with respect to any Bonds for which Amortization Installments have been established, the amount of principal coming due on the final maturity date with respect to such Bonds shall be reduced by the aggregate principal amount of such Bonds that are to be redeemed from Amortization Installments which were to be made in prior Bond Years.

"Mayor" shall mean the Mayor or the Vice Mayor of the Issuer.

"Moody's" or "Moody's Investors Service" shall mean Moody's Investors Services, Inc., and any assigns or successors thereto.

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

"Option Bonds" shall mean Bonds subject to tender for payment prior to their maturity at the option of the Holder thereof.



"Outstanding" or "Bonds Outstanding" shall mean all Bonds which have been issued pursuant to this Resolution, except:

(i) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;

(ii) Bonds for the payment or redemption of which cash funds or Acquired Obligations or any combination thereof shall have been theretofore irrevocably set aside in a special account with an escrow agent (whether upon or prior to the maturity or redemption date of any such Bonds) in an amount which, together with earnings on such Acquired Obligations, will be sufficient to pay the principal of, interest on and any redemption premium with respect to such Bonds at maturity or upon their earlier redemption; provided that, if such Bonds are to be redeemed before the maturity thereof, notice of such redemption shall have been given according to the requirements of this Resolution or irrevocable instructions directing the timely publication of such notice and directing the payment of the principal of and interest on all such Bonds at such redemption dates shall have been given; and

(iii) Bonds which are deemed paid pursuant to this Resolution or in lieu of which other Bonds have been issued under Sections 11 and 13 hereof.

"Parity Contract Obligation" shall have the meaning set forth in Section ~~27~~28 hereof.

"Parity Contract Obligation Account" shall mean the special account of the same name created within the Bond Service Fund.

"Paying Agent" shall mean any paying agent for Bonds appointed by or pursuant to a Supplemental Resolution and its successors or assigns, and any other Person which may at any time be substituted in its place pursuant to a Supplemental Resolution. Once appointed, no resignation or removal of the Paying Agent shall become effective until a successor has been appointed and has accepted the duties of Paying Agent. Each of the Insurers of Bonds, if any, shall be furnished with written notice of the resignation or removal of the Paying Agent and the appointment of any successor thereto.

"Permitted Investments" shall mean investments permitted by applicable law and the Issuer's written investment policy, if any, as may be further limited as set forth in a Supplemental Resolution of the Issuer.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Revenues" shall mean (i) the Net Revenues of the System, and (ii) until applied in accordance with this Resolution, the moneys on deposit in the various funds and accounts created pursuant to this Resolution, except (A) as for the Rebate Fund, (B) to the extent moneys therein shall be required to pay the Cost of Operation and Maintenance in accordance with the terms hereof, and (C) to the extent moneys on deposit in a subaccount of the Reserve Fund or the Project Fund shall be pledged solely for the payment of the Series of Bonds for which it was established in accordance with the provisions hereof.

"Principal Account" shall mean the special account of the same name created within the Bond Service Fund.

"Project" or "Projects" shall mean any actual, proposed or potential acquisition, addition, extension, supplement, or replacement of the System or joint ownership of similar properties or any interest therein or any right to use the capacity from any facilities or services thereof, or any other lawful purpose related to the System, all as determined by the Issuer and in accordance with plans and specifications on file or to be filed with the Issuer.

"~~2009C~~2016A Project" shall mean the Project authorized to be financed with the proceeds of the Series ~~2009C~~2016A Bonds, consisting of the design, permitting, acquisition, construction and reconstruction of water and sewer capital projects.

"Project Costs" shall mean all costs authorized to be paid from the Project Fund pursuant to Section 18 hereof to the extent permitted under the laws of the State. It is intended that this definition be broadly construed to encompass all costs, expenses and liabilities of the Issuer related to the System which on the date of this Resolution or in the future shall be permitted to be funded with the proceeds of any Series of Bonds pursuant to the laws of the State.

"Project Fund" shall mean the Project Fund created and established pursuant to Section 16 of this Resolution.

"Prudent Utility Practice" shall mean, in respect of any particular municipal utility industry, any of the practices, methods and acts which, in the exercise of reasonable judgment, in light of the facts, including but not limited to the practices, methods and acts engaged in or approved by a significant portion of such utility industry prior thereto, known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition. It is recognized that Prudent Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather is a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition.

"Qualified Agreement" means, to the extent from time to time permitted pursuant to law, any contract or contracts entered into in connection with Bonds under which payments are, in whole or in part, based on interest rate, cashflow, or other basis desired by the Issuer, including, without limitation, contracts commonly known as current or forward interest rate swap or swaption agreements and interest rate floors or caps. Notwithstanding anything herein to the contrary, "Qualified Agreement" shall not include goods and service supply contracts.

"Qualified Agreement Provider" means, an entity whose senior long term obligations, other senior long term obligations or claims paying ability or whose payment obligations under a Qualified Agreement are guaranteed by an entity whose senior long term debt obligations, other senior unsecured long term obligations or claims paying ability are rated at the time of execution of such Qualified Agreement either (i) at least as high as A3 by Moody's, and A- by S&P, or the equivalent thereof by any successor thereto for so long as such rating agency is then maintaining a rating on the Bonds Outstanding, or (ii) any such lower rating categories which each such rating agency then maintaining a rating on the Bonds Outstanding indicates in writing to the Issuer will not, by itself, result in a reduction or withdrawal of its rating on the Bonds Outstanding that is in effect prior to entering into such Qualified Agreement.

"Qualified Independent Consultant" shall mean one or more qualified and recognized independent consultants, having favorable reputations, skill and experience with respect to the acts and duties of the Qualified Independent Consultant to be provided to the Issuer, as shall from time to time be retained by the Issuer to perform the acts and carry out the duties herein provided for such consultants.

"Rate Stabilization Fund" shall mean the "Rate Stabilization Fund" established pursuant to Section 16 of this Resolution.

"Rebate Amount" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-1(b) of the Income Tax Regulations) over the future value, as of that date, of all payments on nonpurpose investments, all as provided by regulations under the Code implementing Section 148 thereof.

"Rebate Fund" shall mean the City of Tamarac Utility System Revenue Bonds Rebate Fund established pursuant to Section 30 hereof.

"Rebate Year" shall mean, with respect to a particular Series of Bonds issued hereunder, a one-year period (or shorter period from the date of issue) that ends at the close of business on the day in the calendar year selected by the Issuer as the last day of a Rebate Year. The final Rebate Year with respect to a particular Series of Bonds issued hereunder, however, shall end on the date of final maturity of that Series of Bonds.

"Record Date" shall mean each date that is on the 15<sup>th</sup> day of the calendar month immediately preceding an interest payment date on the Bonds.

"Redemption Account" shall mean the special account of the same name created within the Bond Service Fund.

"Refunded ~~2004~~2009 Bonds" shall mean all or a ~~pro-rata~~ portion of the Issuer's ~~Capital Improvement Revenue Bonds, Series 2004 equal to 48.7% of such bonds actually issued.~~'s Series 2009 Bonds authorized to be refunded hereby, to be specifically designated by Supplemental Resolution.

~~"Refunded 2006 Note" shall mean all of the Issuer's Capital Improvement Revenue Note, Series 2006.~~

"Refunding Bonds" shall mean that amount of any Series of Bonds, the proceeds of which will be applied to the refunding of any previously issued Bonds.

"Registrar" shall mean any registrar for the Bonds appointed by or pursuant to Supplemental Resolution and its successors and assigns, and any other Person which may at any time be substituted in its place pursuant to Supplemental Resolution. Once appointed, no resignation or removal of the Registrar shall become effective until a successor has been appointed and has accepted the duties of Registrar. The Insurers of Bonds shall be furnished with written notice of the resignation or removal of the Registrar and the appointment of any successor thereto.

"Reimbursement Obligation" shall have the meaning set forth in Section ~~28~~29 hereof.

"Renewal, Replacement and Improvement Fund" shall mean the Renewal, Replacement and Improvement Fund created and established pursuant to Section 16 of this Resolution.

"Reserve Fund" shall mean the Reserve Fund created and established pursuant to Section 16 of this Resolution.

"Reserve Fund Insurance Policy" shall mean an insurance policy or surety bond deposited in the Reserve Fund or a subaccount therein in lieu of or in substitution for cash on deposit therein pursuant to Section 20(B)(2) hereof.

"Reserve Fund Letter of Credit" shall mean an unconditional irrevocable letter of credit or line of credit (other than a Reserve Fund Insurance Policy) deposited in the Reserve Fund or a subaccount therein in lieu of or in substitution for cash on deposit therein pursuant to Section 20(B)(2) hereof.

"Reserve Requirement" shall be the lesser of (i) the Maximum Bond Service Requirement with respect to Bonds secured by the Reserve Fund, (ii) 125% of the Average Annual Bond Service Requirement with respect to Bonds secured by the Reserve Fund, or (iii) the largest amount as shall not adversely affect the exclusion of interest on the Bonds from gross income for Federal income tax purposes with respect to Bonds secured by the Reserve Fund; provided, however, the Issuer may establish by Supplemental Resolution a different Reserve Requirement for a subaccount of the Reserve Fund which secures ~~a~~one or more Series of Bonds pursuant to Section 20(B)(2) hereof.

"Resolution" shall mean the Original Resolution, as amended and restated in its entirety by this Resolution, as from time to time may be amended or supplemented by Supplemental Resolution, in accordance with the terms hereof.

"Revenue Fund" shall mean the Revenue Fund created and established pursuant to Section 16 of this Resolution.

"Serial Bonds" shall mean all of the Bonds other than Term Bonds.

"Series" or "Series of Bonds" or "Bonds of a Series" shall mean all Bonds designated as being of the same Series issued and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter delivered in lieu thereof or in substitution therefor pursuant to this Resolution.

"Series ~~1996 Bonds~~" ~~shall mean the Issuer's Taxable Water and Sewer Utility Revenue Refunding Bonds, Series 1996.~~"Series ~~2009~~2016 Bonds" shall mean, collectively, the Series ~~2009~~2016A Bonds, ~~the Series 2009B Bonds,~~ and the Series ~~2009~~2016B Bonds.

~~"Series 2009A Bonds" shall mean the Issuer's Utility System Refunding Revenue Bonds, Series 2009A, the net proceeds of which will be used to advance refund the Refunded 2004 Bonds.~~

~~"Series 2009B Bonds" shall mean the Issuer's Utility System Refunding Revenue Bonds, Series 2009B, the net proceeds of which will be used to currently refund the Refunded 2006 Note.~~

"Series ~~2009~~2016A Bonds" shall mean the Issuer's Utility System Refunding Revenue Bonds, Series ~~2009~~2016A, the net proceeds of which will be primarily used to refund a portion of the Refunded 2009 Bonds and to finance the ~~2009~~2016A Project.

"Series 2016B Bonds" shall mean the Issuer's Utility System Refunding Revenue Bonds, Series 2016B (Taxable), the net proceeds of which will be primarily used to refund a portion of the Refunded 2009 Bonds. The Series 2016B Bonds are Taxable Bonds.

"Sewer System" shall mean the complete sewer, wastewater and residential reuse system now owned, operated and maintained by the Issuer and which the Issuer is, or shall be responsible for maintaining, together with any and all acquisitions, improvements, extensions and additions thereto, hereafter constructed or acquired, together with all lands or interests therein, including plants, buildings, machinery, franchises, pipes, mains, fixtures, equipment and all property, real or personal, tangible or intangible (including agreements for the providing of such services), now or hereafter constructed and/or owned or used in connection therewith.

"State" shall mean the State of Florida.

~~"Standard & Poor's" or "Standard & Poor's Corporation" or "S&P"~~ shall mean ~~Standard and Poor's~~ S&P Global Ratings ~~Group~~ Inc. and any assigns and successors thereto.

"Subordinated Debt" shall mean any obligations payable on a junior, inferior and subordinate basis under Section 20(L) hereof. "Subordinated Debt" shall include, but shall not be limited to, (i) Subordinated Contract Obligations, (ii) payments to a Qualified Agreement Provider pursuant to a Qualified Agreement which the Issuer has designated as Subordinated Debt, (iii) Reimbursement Obligations, and (iv) any other obligations payable from any of the Pledged Revenues on a junior, inferior and subordinate basis to the Bonds.

"Subordinated Debt Service Fund" shall mean the Subordinated Debt Service Fund.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 22 and 23 hereof.

"System" or "Utility System" shall mean, collectively, the Water System and the Sewer System of the Issuer. Upon compliance with the provisions of Section 26 hereof, the term "System" may be deemed to include other utility functions added to the System, including, but not limited to, the acquisition, distribution and sale of natural gas, the providing of electricity, the providing of cable television services, the providing of telecommunication services or other utility functions that are authorized from time to time pursuant to the Act. Notwithstanding the foregoing definition of the term System, (i) such term shall not include any properties or interest in properties of the Issuer which the Issuer determines shall not constitute a part of the System for the purpose of this Resolution, and (ii) such term shall not include the stormwater system of the Issuer.

"Taxable Bond" shall mean any Bond (other than Build America Bonds) which states, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income tax purposes or that such interest is subject to federal income taxation. The Series 2016B Bonds are Taxable Bonds.

"Term Bonds" shall mean the Bonds other than Serial Bonds which shall be stated to mature on one date, and shall have such Amortization Installments, as shall be determined by Supplemental Resolution of the Issuer.

"Variable Rate Bonds" shall mean obligations issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage at the date of issue for the entire term thereof as shall be determined by Supplemental Resolution of the Issuer.

"Water System" shall mean the complete water system now owned, operated and maintained by the Issuer or which is proposed to be acquired by and operated and maintained by the Issuer and which the Issuer is, or shall be responsible for maintaining, together with any and all acquisitions, improvements, extensions and additions thereto, hereafter constructed or acquired, together with all lands or interests therein, including plants, buildings, machinery, franchises, pipes, mains, fixtures, equipment and all property, real or personal, tangible or intangible (including agreements for the providing of such services), now or hereafter constructed and/or owned or used in connection therewith.

The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender. Words importing the singular number include the plural number, and vice versa.

Section 3.     ~~SECTION 3.—~~Findings. It is hereby ascertained, determined and declared that:



(A) The Issuer currently owns, operates and maintains the System and derives certain revenue from rates, fees, rentals and other charges made and collected for the services of such System, which such revenues are not now pledged or encumbered in any manner except ~~to the Series 1996 Bonds~~ in favor of the Series 2009 Bonds. The Refunded 2009 Bonds are to be refunded with proceeds of the Series 2016A Bonds and Series 2016B Bonds and other legally available funds of the Issuer, if any.

~~(B) —Prior to the delivery of the Series 2009 Bonds, the Issuer expects to redeem all of the Series 1996 Bonds have been redeemed and are no longer outstanding under the resolution that authorized their issuance.~~

~~(C) —The Issuer is authorized under the Act to issue bonds to advance refund the Refunded 2004 Bonds and to currently refund the Refunded 2006 Note.~~ B) The Issuer has determined that it is in the best interest of the health and welfare of the residents of the Issuer and other users of the System to issue the Series 2016A Bonds for the primary purpose of refunding a portion of the Refunded Series 2009 Bonds and financing the costs of the 2016A Project and to issue the Series 2016B Bonds for the primary purpose of refunding a portion of the Refunded 2009 Bonds.

~~(D) —The proceeds of the Refunded 2004 Bonds were used by the Issuer to (i) finance the acquisition, construction and equipping of certain capital improvements to the System, (ii) fund necessary reserves, and (iii) pay certain expenses related to the issuance of the Refunded 2004 Bonds.~~

~~(E) —The proceeds of the Refunded 2006 Note were used by the Issuer to (i) finance capital improvements to the System, and (ii) pay certain expenses related to the issuance of the Refunded 2006 Note.~~

~~(F) —In order to modernize the bond covenants, promote rate relief through reduction of gross debt service in the near term, change to a more conventional legal security structure and to extend debt service, notwithstanding present value net debt service dissavings, the Issuer finds, determines and declares that it is necessary for the continued preservation of the health, welfare, convenience and safety of the Issuer, its citizens and other users of the System for the Issuer to provide for the issuance of the Series 2009A Bonds in an aggregate principal amount not to exceed \$6,000,000, the proceeds of which will be used to advance refund the Refunded 2004 Bonds and the Series 2009B Bonds in an aggregate principal amount not to exceed \$6,000,000, the proceeds of which will be used to currently refund the Refunded 2006 Note. In order to make necessary improvements to the System, the Issuer finds, determines and declares that it is necessary for the continued preservation of the health, welfare, convenience and safety of the Issuer, its citizens and other users of the System to provide for the issuance of the Series~~



~~2009C Bonds in an aggregate principal amount not to exceed \$6,000,000, the proceeds of which will be used to finance the 2009C Project.~~

(~~G~~C) The costs associated with issuance of the Series ~~2009~~2016 Bonds, shall be deemed to include, but not limited be to, legal and financial advisory fees and expenses, engineering expenses, fiscal expenses, underwriting fees and expenses, rating agency fees, expenses for estimates of costs and of revenues, accounting expenses, escrow and verification fees and expenses, municipal bond insurance premiums, if applicable, surety policy premiums, if applicable, costs of printing, fees and expenses for the paying agent and registrar, accrued and capitalized interest, if any, provisions for reserves, and such other fees and expenses as may be necessary or incidental for the financing herein authorized.

(~~H~~D) Furthermore, in order to modify and modernize certain of the bond covenants to provide more financial flexibility, the Issuer desires to amend and restate the Original Resolution.

(~~E~~E) Any Series of Bonds, after the issuance of the Series ~~2009~~2016 Bonds, shall be issued upon approval by Supplemental Resolution of the Issuer and compliance with the terms hereof. The proceeds of any Series of Bonds shall be applied as provided in a Supplemental Resolution.

(~~F~~F) The principal of and interest and redemption premium on the Series ~~2009~~2016 Bonds and all reserve and other payments contemplated hereunder shall be payable solely from the Pledged Revenues on parity with the Series 2009 Bonds not being refunded, if any. The Issuer shall never be required to levy ad valorem taxes on any real or personal property therein to pay the principal of and interest on the Bonds herein authorized or to make any other payments provided for herein. The Bonds shall not constitute a lien upon any properties owned by or located within the boundaries of the Issuer or upon any property other than the Pledged Revenues.

(~~G~~G) The Pledged Revenues should be sufficient to pay all principal of and interest and redemption premium on the Bonds to be issued hereunder, as the same become due, and to make all required deposits or payments required by this Resolution.

Section 4. ~~SECTION 4.—Authorization of the 2009C2016A Project and Refunding of Refunded 20042009 Bonds and Refunded 2006 Note.~~ The Issuer does hereby authorize the ~~2009C2016A Project, the advance refunding of the Refunded 2004 Bonds and the current~~ refunding of the Refunded ~~2006 Note~~2009 Bonds.

Section 5.     ~~SECTION 5.—~~This Resolution to Constitute Contract. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Holders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of the Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein.

Section 6.     ~~SECTION 6.—~~Authorization of Bonds. Subject and pursuant to the provisions hereof, obligations of the Issuer to be known as "Utility System Revenue Bonds" which may be issued from time to time are hereby authorized to be issued. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act or by law.

The Bonds may, if and when authorized by the Issuer pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined herein or by Supplemental Resolution of the Issuer.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined by Supplemental Resolution of the Issuer, and, in the case of the Series ~~2009~~2016 Bonds, by Section 7 hereof. The Issuer may issue Bonds which may be secured by a Credit Facility or by a Bond Insurance Policy all as shall be determined by Supplemental Resolution of the Issuer.

Section 7.     ~~SECTION 7.—~~Description of the Series ~~2009~~2016 Bonds. The Series ~~2009~~2016A Bonds, and the Series ~~2009~~2016B Bonds ~~and the Series 2009C Bonds~~ are hereby authorized to be issued in the aggregate principal amounts of not to exceed \$~~6,000,000~~, \$~~6,000,000~~,22,000,000 and \$~~6,000,000~~,5,000,000, respectively, with further details provided in a Supplemental Resolution prior to their delivery. ~~The final maturity for the Series 2009A Bonds~~

~~shall be no later than October 1, 2040. The final maturity for the Series 2009B Bonds shall be no later than October 1, 2040. The final maturity for the Series 2009C Bonds shall be no later than October 1, 2040.~~

The Series ~~2009~~2016A Bonds and the Series 2016B Bonds shall each be issued hereunder in fully registered form without coupons; may be Capital Appreciation Bonds, Serial Bonds or Term Bonds; shall be dated; shall be numbered consecutively from one upward in order of maturity preceded by the letter "~~R~~"RA" and "~~RB~~"RB," respectively, if Serial Bonds or Term Bonds, and preceded by the letters "CABR" if Capital Appreciation Bonds; shall be in the denomination of \$5,000 each, or integral multiples thereof for the Serial Bonds and Term Bonds, and in \$5,000 Accreted Values at maturity for the Capital Appreciation Bonds or in \$5,000 multiples thereof, or such other denominations as shall be approved by the Issuer in a Supplemental Resolution prior to the delivery of such Bonds shall bear interest at such rate or rates not exceeding the maximum rate allowed by State law, the actual rate to be approved by the governing body of the Issuer prior to or upon the sale of such Bonds; such interest to be payable semiannually at such times as are fixed by Supplemental Resolution of the Issuer if Serial Bonds or Term Bonds or payable at maturity if Capital Appreciation Bonds, and shall mature annually on such date in such years and such amounts as will be fixed by Supplemental Resolution of the Issuer prior to or upon the sale of such Bonds, and may be issued with variable, adjustable, convertible or other rates with original issue discounts and as zero coupon bonds; all as the Issuer shall provide herein or hereafter by Supplemental Resolution.

Each Serial or Term Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless authenticated on an interest payment date, in which case it shall bear interest from such interest payment date, or, unless authenticated prior to the first interest payment date, in which case it shall bear interest from its date; provided, however, that if at the time of authentication, payment of any interest which is due and payable has not been made, such Serial or Term Bond shall bear interest from the date to which interest shall have been paid.

Unless otherwise set forth in a Supplemental Resolution adopted prior to the issuance of a Series of Bonds, interest shall be calculated based upon a 360 day year consisting of 12-30 day months.

Each Capital Appreciation Bond shall bear interest only at maturity or upon redemption prior to maturity in the amount determined by reference to the Accreted Value.

The principal of and the interest and redemption premium, if any, on such Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The interest on the

Serial or Term Bonds shall be payable by the Paying Agent on each interest payment date, or the first business day following an interest payment date if such interest payment date is not a business day, to the person appearing on the registration books of the Issuer hereinafter provided for as the registered Holder thereof, by check or draft mailed to such registered Holder at his address as it appears on such registration books or by wire transfer to Holders of \$1,000,000 or more in principal amount of such Bonds. Payment of the principal of all Serial or Term Bonds (reduced by any Amortization Installments previously paid by the Issuer on any Term Bonds) and the Accreted Value with respect to the Capital Appreciation Bonds shall be made upon the presentation and surrender of such Bonds as the same shall become due and payable.

As long as any such Bonds are outstanding in book-entry form, the provisions of this Resolution inconsistent with such system of book-entry registration shall not be applicable to such Bonds, and the Issuer covenants to cause adequate records to be kept with respect to the ownership of any Series of Bonds issued in book-entry form or the beneficial ownership of bonds issued in the name of a nominee.

Section 8.     ~~SECTION 8.~~ Execution of Bonds. The Bonds in the form herein below set forth shall be signed by, or bear the facsimile signature of the Mayor and City Manager and shall be attested by, or bear the facsimile signature of, the City Clerk, shall be approved as to form by the City Attorney, and a facsimile of the official seal of the Issuer shall be imprinted on the Bonds.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such Person remained in office until such delivery. Any Bond may bear the facsimile signature of or may be signed by such persons who, at the actual time of the execution of such Bond, shall be the proper officers to sign such Bonds although, at the date of such Bond, such persons may not have been such officers.

Section 9.     ~~SECTION 9.~~ Authentication of Bonds. Only such of the Bonds as shall have endorsed thereon a certificate of authentication substantially in the form hereinbelow set forth, duly executed by the Registrar, as authenticating agent, shall be entitled to any benefit or security under this Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an

authorized officer of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication of all of the Bonds that may be issued hereunder at any one time.

Section 10.     ~~SECTION 10.~~ Exchange of Bonds. Any Bonds, upon surrender thereof at the designated corporate trust office of the Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Registrar, may, at the option of the Bondholder, be exchanged for an aggregate principal amount of Bonds of the same Series equal to the principal amount of the Bond or Bonds so surrendered.

The Registrar shall make provision for the exchange of Bonds at the designated corporate trust office of the Registrar.

Section 11.     ~~SECTION 11.~~ Negotiability, Registration and Transfer of Bonds. The Registrar shall keep books for the registration of and for the registration of transfers of Bonds as provided in this Resolution. The transfer of any Bonds may be registered only upon such books and only upon surrender thereof to the Registrar together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer, the Issuer shall execute and the Registrar shall authenticate and deliver in exchange for such Bond, a new Bond or Bonds registered in the name of the transferee, and in an aggregate principal amount equal to the principal amount of such Bond or Bonds so surrendered and of the same Series.

In all cases in which Bonds shall be exchanged, the Issuer shall execute and the Registrar shall authenticate and deliver, at the earliest practicable time, a new Bond or Bonds of the same type (e.g., Serial Bonds will be exchanged for Serial Bonds and Capital Appreciation Bonds will be exchanged for Capital Appreciation Bonds) and of the same Series in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. The Issuer or the Registrar may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to any Bondholder for the privilege of exchanging or registering the transfer of Bonds under the provisions of this Resolution. Neither the Issuer nor the Registrar shall be required to make any such exchange, registration or transfer of Bonds after the Record Date.

Section 12.     ~~SECTION 12.~~ Ownership of Bonds. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond, and the interest on any such Bonds shall be made only to or upon the order of the registered

owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond including the premium, if any, and interest thereon to the extent of the sum or sums so paid.

Section 13.      ~~SECTION 13. Bonds Mutilated, Destroyed, Stolen or Lost.~~ In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, cause to be executed, and the Registrar shall authenticate and deliver, a new Bond of like date and tenor as the Bond so mutilated, destroyed, stolen or lost (e.g., Serial Bonds shall be issued in exchange for Serial Bonds and Capital Appreciation Bonds shall be issued in exchange for Capital Appreciation Bonds) in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer and the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered shall be canceled by the Issuer. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 13 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other Bonds issued hereunder.

Section 14.      ~~SECTION 14. Provisions for Redemption.~~ The Bonds shall be subject to redemption prior to their maturity, at the option of the Issuer, at such times and in such manner as shall be fixed by Supplemental Resolution of the Issuer prior to or at the time of sale of such Bonds. The provisions of this Section may be modified as to any Series of Bonds by Supplemental Resolution adopted prior to the issuance thereof.

Notice of such redemption shall, at least thirty (30) days prior to the redemption date, be filed with the Registrar, and mailed by the Registrar on behalf of the Issuer, first class mail, postage prepaid, to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books hereinbefore provided for on the Record Date, but failure to mail such notice to one or more Holders of such Bonds, or any defect therein, shall not affect the validity of the proceedings for such redemption with respect to Holders of Bonds to which notice was duly mailed hereunder and no defect occurred. Such notice shall also be sent to the registered securities depositories and two or more nationally recognized municipal securities information



repositories. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of such Bonds, of one maturity are to be called, the distinctive numbers of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Any notice of optional redemption given pursuant to this Section 14 may state that it is conditional upon receipt by the Paying Agent of moneys sufficient to pay the redemption price, plus interest accrued to the redemption date, or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price and accrued interest if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Paying Agent to affected Holders of such Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

Official notice of redemption having been given as aforesaid, such Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Each check or other transfer of funds issued by the Registrar for the purpose of the payment of the redemption price of Bonds being redeemed shall bear the CUSIP number identifying, by issue and maturity, such Bonds being redeemed with the proceeds of such check or other transfer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any such Bond, there shall be prepared for the Holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal of such partially redeemed Bond. All such Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

Section 15. — ~~SECTION 15.~~ Form of Bonds. The text of the Bonds, together with the certificate of authentication to be endorsed therein, shall be in substantially the following form, with such omissions, insertions and variations as may be necessary, desirable, authorized or permitted by this Resolution or by any Supplemental Resolution adopted prior to the issuance of a Series of Bonds, or as may be necessary if such Bonds or a portion thereof are issued as Capital Appreciation Bonds, Capital Appreciation Income Bonds, Option Bonds, Variable Rate Bonds, or as may be necessary to comply with applicable laws, rules and regulations of the United States and of the State in effect upon the issuance thereof.

Temp. Reso. #~~11658~~[12859](#)

~~Revision #2—July 10, 2009~~

~~Revision #3—July 14, 2009~~

~~Revision #4—July 15, 2009~~

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[Remainder of page intentionally left blank]



[FORM OF BOND]

No. R[A/B]-\_\_\_\_  
\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
COUNTY OF BROWARD  
CITY OF TAMARAC  
UTILITY SYSTEM [REFUNDING] REVENUE BONDS, SERIES \_\_\_\_\_[TAXABLE]

MATURITY DATE:      INTEREST RATE:      DATED DATE:      CUSIP:

Registered Owner:

Principal Amount:

The City of Tamarac, Florida (hereinafter called the "Issuer") for value received, hereby promises to pay to the order of the Registered Owner identified above or registered assigns, as herein provided, on the Maturity Date identified above, upon the presentation and surrender hereof at the designated corporate trust office of \_\_\_\_\_, Florida from the sources hereinafter mentioned, the Principal Amount identified above in any coin or currency of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts, and to pay, solely from said sources, to the Registered Owner hereof by wire transfer or check transmitted to the Registered Owner at his address as it appears on the Bond registration books of the Issuer as it appears on the 15th day of the calendar month preceding the applicable interest payment date, interest on said Principal Amount at the Interest Rate per annum identified above on each April 1 and October 1 commencing — 1, —20 from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which case it shall bear interest from said interest payment date, or unless this Bond is registered and authenticated prior to \_\_\_\_\_, \_\_\_\_\_, in which event this Bond shall bear interest from \_\_\_\_\_, \_\_\_\_\_.

[Interest income on this Bond is includable in the gross income to the Registered Owner for federal income tax purpose.] [Taxable Bond only].

(Insert Optional and/or Mandatory Redemption Provisions)

Notice of such redemption shall be given in the manner required by the Resolution (as defined below).

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$\_\_\_\_\_ of like date, tenor and effect, except as to number, principal amount, maturity, redemption provisions and interest rate, issued to \_\_\_\_\_, all in full compliance with Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 159, Part I, Florida Statutes, Chapter 166, Part II, Florida Statutes, the municipal charter of the City of Tamarac, Florida, and other applicable provisions of law and Resolution No. R-2009—96 duly adopted by the Issuer on July 22, 2009, as amended and restated in its entirety by Resolution No. R-2016—duly adopted by the Issuer on \_\_\_\_\_, 2009—2016, as amended and supplemented (hereinafter collectively called the "Resolution") and is subject to all the terms and conditions of such Resolution. All capitalized undefined terms used herein shall have the meaning set forth in the Resolution.

~~This~~[On parity with \_\_\_\_\_,] ~~this~~ Bond is payable solely from and secured by a pledge of the Net Revenues of the System levied and collected by the Issuer, and the moneys in certain funds and accounts created pursuant to the Resolution (collectively, the "Pledged Revenues") in the manner and to the extent provided in the Resolution. Reference is made to the Resolution for more complete definition and description of the System and the Pledged Revenues.

This Bond does not constitute a general indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Holder of this Bond that such Bondholder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment of the principal of and interest on this Bond or the making of any debt service fund, reserve or other payments provided for in the Resolution.

It is further agreed between the Issuer and the Holder of this Bond that this Bond and the indebtedness evidenced thereby shall not constitute a lien upon the System, or any part thereof, or on any other property of or in the Issuer, but shall constitute a lien only on the Pledged Revenues all in the manner provided in the Resolution.

The Issuer has covenanted, in the Resolution, to fix, establish, revise from time to time whenever necessary, maintain and collect always such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide, Net

Revenues in each Fiscal Year sufficient to pay one hundred ten percent (110%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year.

In addition to compliance with the paragraph above, such Net Revenues in each Fiscal Year shall also be sufficient to provide one hundred percent (100%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year, any amounts required by the terms ~~hereof~~of the Resolution to be deposited into the Reserve Fund (including any subaccount therein) or with any Credit Facility Issuer as a result of a withdrawal from the Reserve Fund (including any subaccount therein), the Renewal, Replacement and Improvement Fund and debt service on other obligations payable from the Revenues of the System, and other payments, and all allocations and applications of revenues ~~herein~~in the Resolution required in such Fiscal Year.

Net Revenues will not be reduced so as to render them insufficient to provide revenues for the purposes provided therefor by the Resolution.

The Issuer has entered into certain further covenants with the Holders of the Bonds of this issue for the terms of which reference is made to the Resolution.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and Statutes of the State of Florida.

This Bond is and has all the qualities and incidents of a negotiable instrument under Article 3 of the Uniform Commercial Code, the State of Florida, Chapter 673, Florida Statutes, as amended.

The transfer of this Bond is registrable by the Bondholder hereof in person or by his attorney or legal representative at the designated corporate trust office of the Registrar but only in the manner and subject to the conditions provided in the Resolution and upon surrender and cancellation of this Bond.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until it shall have been authenticated by the execution by the Registrar of the certificate of authentication endorsed hereon.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, said City of Tamarac, Florida, by resolution duly adopted by its City Commission, has caused this Bond to bear the signatures of its Mayor and City Manager, to be attested by the signature of its City Clerk, to be approved as to form by the City Attorney, and a facsimile of the official seal of the City to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

(SEAL)

CITY OF TAMARAC, FLORIDA

By: \_\_\_\_\_  
Mayor

ATTESTED:

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
City Manager

APPROVED AS TO FORM ~~AND CORRECTNESS~~:

By: \_\_\_\_\_  
City Attorney

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Resolution.

Date of Authentication:

\_\_\_\_\_

\_\_\_\_\_  
Registrar, as Authenticating Agent

By: \_\_\_\_\_

Temp. Reso. #~~11658~~[12859](#)

~~Revision #2—July 10, 2009~~

~~Revision #3—July 14, 2009~~

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Authorized Officer

### ASSIGNMENT AND TRANSFER

For value received the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_  
\_\_\_\_\_(Please insert Social Security or other identifying number of transferee) \_\_\_\_\_  
\_\_\_\_\_ the attached bond of the City of Tamarac, Florida, and does hereby constitute and  
appoint, \_\_\_\_\_, attorney, to transfer the said Bond on the books kept for  
Registration thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

Signature Guaranteed by \_\_\_\_\_  
[member firm of the New York Stock Exchange  
or a commercial bank or a trust company.]

By: (manual or facsimile)  
Authorized Officer

\_\_\_\_\_  
NOTICE: No transfer will be registered and no  
new Bonds will be issued in the name of the  
transferee, unless the signature to this  
assignment corresponds with the name as it  
appears upon the face of the within Bond in  
every particular, without alteration or  
enlargement or any change whatever and the  
Social Security or Federal Employer  
Identification Number of the transferee is  
supplied.

[END OF FORM OF BOND]

Section 16. ~~SECTION 16.~~ Creation of Funds. There are hereby created and established the following funds and accounts, which funds and accounts shall be trust funds held by the Issuer for the purposes herein provided and used only in the manner herein provided:

(A) The "City of Tamarac Utility System Revenue Fund" (hereinafter sometimes called the "Revenue Fund") to be held by the Issuer and to the credit of which deposits of Gross Revenues shall be made as required by Section 20(A) hereof.

(B) The "City of Tamarac Utility System Bond Service Fund" (hereinafter sometimes called the "Bond Service Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(1) hereof. In such fund there shall be maintained the following accounts: the Principal Account, the Interest Account, the Parity Contract Obligation Account and the Redemption Account.

(C) The "City of Tamarac Utility System Reserve Fund" (hereinafter sometimes called the "Reserve Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(2) hereof. In such ~~fund~~Fund, there may hereafter be established subaccounts pursuant to Supplemental Resolution.

(D) The "City of Tamarac Utility System Subordinated Debt Service Fund" (hereinafter sometimes called the "Subordinated Debt Service Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(3) hereof.

(E) The "City of Tamarac Utility System Renewal, Replacement and Improvement Fund" (hereinafter sometimes called the "Renewal, Replacement and Improvement Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(4) hereof.

(F) The "City of Tamarac Utility System Project Fund" (hereinafter sometimes called the "Project Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 17 hereof. Within such fund there shall be created, established and maintained separate accounts for each Series of Bonds. There is hereby created the Series ~~2009~~2016A Project Account (hereafter the "Series ~~2009~~2016A Project Account") which shall be held solely for the benefit of the Holders of the Series ~~2009~~2016A Bonds.

(G) The "City of Tamarac Utility System Rate Stabilization Fund" (hereinafter sometimes called the "Rate Stabilization Fund") to be held by the Issuer and to the credit of which deposits may be made as required by Section 20(~~T~~R) hereof.

(H) The "City of Tamarac Utility System Surplus Fund" (hereinafter sometimes called the "Surplus Fund") to be held by the Issuer and to the credit of which deposits may be made as required by Section 20(B)(~~5~~6) hereof.

The Revenue Fund, the Bond Service Fund (including the accounts therein), the Reserve Fund (including any subaccounts that may hereafter be created therein pursuant to Supplemental Resolution), the Renewal, Replacement and Improvement Fund, the Project Fund, the Rate Stabilization Fund, the Surplus Fund and any other special funds herein established and created shall be deemed to be held in trust for the purposes provided herein for such funds. The money in all such funds shall be continuously secured in the same manner as state and municipal deposits are authorized to be secured by the laws of the State of Florida.

The cash required to be accounted for in each of the funds and accounts described in this Section 16 may be deposited in a single bank account, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash on deposit therein for the various purposes of such funds and accounts as herein provided. The designation and establishment of the various funds in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the System for certain purposes and to establish certain priorities for application of such revenues and assets as herein provided.

The Issuer may at any time and from time to time appoint one or more depositaries to hold, for the benefit of the Bondholders, any one or more of the funds, accounts and subaccounts established hereby. Such depository or depositaries shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having a combined capital, surplus and undivided profits aggregating not less than fifty million dollars (\$50,000,000).

Section 17.     ~~SECTION 17.~~ Application of Bond Proceeds. The proceeds, including accrued interest and premium, if any, received from the sale of a Series of the Bonds shall be applied by the Issuer simultaneously with the delivery of such Series of the Bonds to the purchaser thereof, as provided in a Supplemental Resolution adopted at or prior to sale of such Series of the Bonds.



Section 18. ~~SECTION 18.~~ Disbursements from Project Fund. Moneys on deposit from time to time in the Project Fund shall be used to pay or reimburse the following Project Costs:

(A) Costs incurred directly or indirectly for or in connection with a Project or a proposed or future Project or acquisition including, but not limited to, those for preliminary planning and studies, architectural, legal, financial, engineering and supervisory services, labor, services, materials, equipment, accounts receivable, acquisitions, land, rights-of-way, improvements and installation;

(B) Premiums attributable to all insurance required to be taken out and maintained during the period of construction with respect to a Project to be acquired or constructed, the premium on each surety bond, if any, required with respect to work on such facilities, and taxes, assessments and other charges hereof that may become payable during the period of construction with respect to such a Project;

(C) Costs incurred directly or indirectly in seeking to enforce any remedy against a contractor or subcontractor in respect of any default under a contract relating to a Project or costs incurred directly or indirectly in defending any claim by a contractor or subcontractor with respect to a Project;

(D) Financial, legal, accounting, appraisals, title evidence and printing and engraving fees, charges and expenses, and all other such fees, charges and expenses incurred in connection with the authorization, sale, issuance and delivery of such Series of Bonds;

(E) Capitalized interest funded from Bond proceeds, if any, for a reasonable period of time;

(F) Any other incidental and necessary costs including without limitation any expenses, fees and charges relating to the acquisition, construction or installation of a Project, and the making of extraordinary repairs, renewals and replacements, decommissioning or retirement of any portion of the System, including the cost of temporary employees of the Issuer retained to carry out duties in connection with the acquisition, construction or erection of a Project and costs related to transition of such Project into ownership by the Issuer;

(G) Costs incurred directly or indirectly in placing any Project in operation in order that completion of such Project may occur;

(H) Costs of acquiring an existing utility system from a Person, including but not limited to the costs relating to any real estate transaction related thereto;

(I) Any other costs relating to the System authorized pursuant to a Supplemental Resolution of the Issuer and permitted under the laws of the State subject to the prior written approval of Bond Counsel; and

(J) Reimbursements to the Issuer for any of the above items hereinbefore paid by or on behalf of the Issuer, to the extent deemed advisable by Bond Counsel.

Notwithstanding anything else in this Resolution to the contrary, in the Event of Default, the trustee acting for the Holders of Bonds shall, to the extent there are no other available funds held hereunder, use the remaining funds in the Project Fund to pay principal and interest on the Series of Bonds to which such funds relate and were provided by.

Section 19. ~~SECTION 19.~~ Special Obligations of Issuer. The Bonds and any Parity Contract Obligations shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of the Constitution of the State, but shall be payable solely from and secured by a lien upon and a pledge of the Pledged Revenues as herein provided. No Holder or Holders of any Bonds issued hereunder or Qualified Agreement Provider shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form of any real or personal property therein, or to compel the Issuer to pay such principal and interest from any other funds of the Issuer.

The payment of principal of and interest on the Bonds and any Parity Contract Obligations shall be secured forthwith equally and ratably by, and the Issuer hereby grants to the Bondholders and any Qualified Agreement Provider (to the extent set forth in the related Qualified Agreement) an irrevocable lien on the Pledged Revenues, prior and superior to all other liens or encumbrances on such Pledged Revenues and the Issuer does hereby irrevocably pledge such Pledged Revenues to the payment of the principal of, redemption premium, if any, and interest on the Bonds and any Parity Contract Obligations, for the reserves therefor and for all other payments required hereunder. Such amounts hereby pledged and assigned shall immediately be subject to the lien of this pledge without any further physical delivery thereof or any further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer, irrespective of whether such parties have notice thereof.

Section 20. ~~SECTION 20.~~ Covenants of the Issuer. For so long as any of the principal of and interest on any of the Bonds shall be ~~outstanding~~Outstanding and unpaid or until the Issuer has made provision for payment of principal, interest and redemption premiums, if any, with respect to the Bonds, as provided herein, the Issuer covenants with the Holders of any and all Bonds as follows:

(A) REVENUE FUND. All Gross Revenues of the System shall, upon receipt thereof, be deposited in the Revenue Fund. All deposits into such Revenue Fund shall be deemed to be held in trust for the purposes herein provided and used only for the purposes and in the manner herein provided.

(B) DISPOSITION OF REVENUES. All Net Revenues in the Revenue Fund shall be disposed of monthly, but not later than the twenty-fifth (25th) day of each month commencing in the month immediately following the delivery of the first Series of Bonds issued hereunder only in the following manner and the following order of priority:

(1) The Issuer shall first deposit into the Bond Service Fund and credit to the following accounts, in the following order (except that payments into the Interest Account and the Parity Contract Obligations Account shall be on parity with each other, and the payments into the Principal Account and the Redemption Account shall be on a parity with each other), the following identified sums:

(a) Interest Account: Taking into account actual and anticipated earnings in the Interest Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-sixth (1/6th) of all interest coming due on all Outstanding Bonds, on the next interest payment date; provided, however, that monthly deposits of interest, or portions thereof, shall not be required to be made to the extent that money on deposit within such Interest Account is sufficient for such purpose. In the event the Issuer has issued Variable Rate Bonds pursuant to the provisions hereof, Net Revenues shall be deposited at such other or additional times and amounts as necessary to pay any interest coming due on such Variable Rate Bonds on the next interest payment date, all in the manner provided in a Supplemental Resolution of the Issuer. Any monthly payment out of Net Revenues to be deposited as set forth above, for the purpose of meeting interest payments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of interest payment dates applicable to such Series. Moneys in the Interest Account may be used only for the purposes set forth in this paragraph (a).

(b) Parity Contract Obligations Account: Taking into account the actual and anticipated earnings in the Parity Contract Obligations Account in the Bond Service Fund within the current Bond Year, a pro rata estimated amount necessary to build up over time the amount of any Parity Contract Obligation which will next be due and payable or reasonably expected to be due and payable under any Qualified Agreement on the next payment date thereunder; provided, however,

that the monthly amount to be so deposited may be adjusted, as appropriate, to reflect the frequency of payment dates thereunder (e.g., if such Parity Contract Obligations are required to be paid semi-annually, the Issuer shall be required to deposit monthly an amount which is estimated to equal one-sixth ( $1/6^{\text{th}}$ ) of the next such payment). Moneys in the Parity Contract Obligations Account may be used only for the purposes set forth in this paragraph (b).

(c) Principal Account: Taking into account actual and anticipated earnings in the Principal Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-twelfth ( $1/12^{\text{th}}$ ) of the principal amount of the Outstanding Bonds which will mature and become due on such annual maturity dates beginning the month which is twelve (12) months prior to the first principal maturity date; provided, however, that monthly deposits for principal, or portions thereof, shall not be required to be made to the extent that money on deposit within such Principal Account is sufficient for such purpose. Any monthly payment out of Net Revenues to be deposited as set forth above, for the purpose of meeting principal payments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of principal payment dates applicable to such Series. Moneys in the Principal Account may be used only for the purposes set forth in this paragraph (c).

(d) Redemption Account: Taking into account actual and anticipated earnings in the Redemption Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-twelfth ( $1/12^{\text{th}}$ ) of any Amortization Installment established for the mandatory redemption of Outstanding Bonds on such annual maturity date beginning the month which is twelve (12) months prior to the first Amortization Installment date; provided, however, that monthly deposits into the Redemption Account, or portions thereof, shall not be required to be made to the extent that money on deposit in the Redemption Account is sufficient for such purpose. Any monthly payment out of Net Revenues to be deposited as set forth above, for the purpose of meeting Amortization Installments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of dates established for Amortization Installments applicable to such Series. The moneys in the Redemption Account shall be used solely for the purchase or redemption of the Term Bonds payable therefrom. The Issuer may at any time purchase any of said Term Bonds at prices not greater than the then redemption price of said Term Bonds. If the Term Bonds are not then redeemable prior to maturity, the Issuer may purchase said Term Bonds at prices not greater than the redemption price of such Term Bonds on the

next ensuing redemption date. If Term Bonds are so purchased by the Issuer, the Issuer shall credit the account of such purchased Term Bonds against any current Amortization Installment to be paid by the Issuer. If the Issuer shall purchase or call for redemption in any year Term Bonds in excess of the Amortization Installment requirement for such year, such excess of Term Bonds so purchased or redeemed shall be credited in such manner and at such times as the Issuer shall determine. Moneys in the Redemption Account in the Debt Service Fund may be used only for the purposes set forth in this paragraph (d).

(2) To the extent that the amounts on deposit in the Reserve Fund (or any subaccount therein) are less than the applicable Reserve Requirement, the Issuer shall next make deposits into the Reserve Fund (or any subaccount therein) in the manner described below from moneys remaining in the Revenue Fund. Any withdrawals from the Reserve Fund (or any subaccount therein) shall be subsequently restored from the first moneys available in the Revenue Fund, after all required current payments for Cost of Operation and Maintenance as set forth above and all current applications and allocations to the Bond Service Fund, including all deficiencies for prior payments have been made in full. Notwithstanding the foregoing, in case of withdrawal from the Reserve Fund (or any subaccount therein), in no event shall the Issuer be required to deposit into the Reserve Fund (or any subaccount therein) an amount greater than that amount necessary to ensure that the difference between the applicable Reserve Requirement and the amounts on deposit in the Reserve Fund (or any subaccount therein) on the date of calculation shall be restored not later than sixty (60) months after the date of such deficiency (assuming equal monthly payments into the Reserve Fund (or any subaccount therein) for such sixty (60) month period).

~~Upon the issuance of any Additional Parity Obligations under the terms, limitations and conditions as herein provided, the Issuer may, on the date of delivery of such Additional Parity Obligations, increase the sum required to be accumulated and maintained on deposit in the Reserve Fund to be at least equal to the Reserve Requirement on all Outstanding Bonds secured by such Reserve Fund including the Additional Parity Obligations then issued. Such required sum may be paid in full or in part from the proceeds of such Additional Parity Obligations or may be accumulated in equal monthly payments to the Reserve Fund over a period of months from the date of issuance of the Additional Parity Obligations, which shall not exceed the greater of (a) twelve (12) months, or (b) the number of months for which interest on such Additional Parity Obligations has been capitalized, as determined by Supplemental Resolution. In the event moneys in the Reserve Fund are accumulated as provided above, (i) the amount in said Reserve Fund on the date of delivery of the Additional Parity Obligations shall~~

~~not be less than the Reserve Requirement on all Bonds Outstanding secured by such Reserve Fund (excluding the Additional Parity Obligations) on such date, and (ii) the incremental difference between the Reserve Requirement on all Bonds Outstanding secured by such Reserve Fund (excluding the Additional Parity Obligations) on the date of delivery of the Additional Parity Obligations and the Reserve Requirement on all such Bonds and the Additional Parity Obligations shall be twenty five percent (25%) funded upon delivery of the Additional Parity Obligations.~~

Notwithstanding anything herein to the contrary, the Issuer may ~~also~~ establish a separate subaccount in the Reserve Fund for any one or more Series of Bonds and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided herein. To the extent ~~a~~one or more Series of Bonds is secured separately by a subaccount of the Reserve Fund, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Fund or any other subaccount therein. Moneys in a separate subaccount of the Reserve Fund shall be maintained at the Reserve Requirement applicable to such Series ~~of Bonds~~ secured by the subaccount; provided the Supplemental Resolution or Supplemental Resolutions authorizing such Series of Bonds may establish the Reserve Requirement relating to such separate subaccount of the Reserve Fund at such level as the Issuer deems appropriate. Moneys shall be deposited in the separate subaccounts in the Reserve Fund on a pro-rata basis.

In the event the Issuer shall maintain a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and moneys in the Reserve Fund or any subaccount therein, the moneys shall be used prior to making any disbursements under such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit.

Notwithstanding the foregoing, in lieu of or in substitution for the required deposits into the Reserve Fund (or any subaccount therein), the Issuer may cause to be deposited into the Reserve Fund (or any subaccount therein) a Reserve Fund Insurance Policy and/or a Reserve Fund Letter of Credit in an amount equal to the difference between the applicable Reserve Requirement and the sums then on deposit in the Reserve Fund (or any subaccount therein) plus the amounts to be deposited therein pursuant to the preceding paragraph.

In the event the Reserve Fund (or any subaccount therein) contains both a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and cash, the cash shall be drawn down completely prior to any draw on the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit. In the event more than one Reserve Fund Insurance Policy or Reserve Fund Letter of Credit is on deposit in the Reserve Fund (or any subaccount



therein), amounts required to be drawn thereon shall be done on a pro-rata basis calculated by reference to the maximum amounts available thereunder. The Issuer agrees to pay all Reimbursement Obligations in regard to any Reserve Fund Insurance Policy or Reserve Fund Letter of Credit from the Pledged Revenues. Pledged Revenues shall be applied in accordance with this Section 20(B)(2), on a pro-rata basis, to pay Reimbursement Obligations to the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for amounts advanced under such instruments, replenish any cash deficiencies in the Reserve Fund, and to pay the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit interest on amounts advanced under such instruments. Notwithstanding anything herein to the contrary, this Resolution shall not be discharged or defeased while any Reimbursement Obligations are owing in regard to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit in the Reserve Fund. The Issuer agrees not to optionally redeem or exercise its rights to an extraordinary mandatory redemption or refund Bonds unless all Reimbursement Obligations owing in regard to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit in the Reserve Fund have been paid in full.

If five (5) days prior to an interest payment date, principal payment date or date an Amortization Installment is due or such other period of time as shall be established pursuant to a Supplemental Resolution, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest, principal or Amortization Installment due on the Bonds on such date, the Issuer shall immediately notify (1) the issuer of the applicable Reserve Fund Insurance Policy and/or the issuer of the Reserve Fund Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit, and (2) the Paying Agent of the amount of such deficiency and the date on which such payment is due, and shall take all action to cause such issuer to provide moneys sufficient to pay all amounts due on such interest payment date.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Fund Letter of Credit or Reserve Fund Insurance Policy by executing and delivering a reimbursement agreement therefore which evidences a Reimbursement Obligation; provided, however, any reimbursement agreement (1) shall not be or create a general obligation of the Issuer the payment of which is secured by the full faith and credit or taxing power of the Issuer, and (2) shall be payable or obligate the Issuer to pay solely from the Pledged Revenues in a manner which is not inconsistent with the terms hereof.

Notwithstanding anything herein to the contrary, Reimbursement Obligations relating to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for any fees,

expenses, claims or draws upon such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be subordinate to the payment of debt service on the Bonds and to the payment of any Parity Contract Obligations. The right of the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit to payment of reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Fund, and subject to the second succeeding sentence, its right to reimbursement for claims or draws shall be prior to the replenishment of the cash drawn from the Reserve Fund. The Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit reimbursement will be further subordinated to cash replenishment of the Reserve Fund to an amount equal to the difference between the full original amount available under the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and the amount then available for further draws or claims.

If any Reserve Fund Letter of Credit or Reserve Fund Insurance Policy shall terminate prior to the stated expiration date thereof, the Issuer agrees that it shall fund the Reserve Fund over a period not to exceed twelve (12) months during which it shall make consecutive equal monthly payments in order that the amount on deposit in the Reserve Fund shall equal the Reserve Requirement; provided, the Issuer may obtain a new Reserve Fund Letter of Credit or a new Reserve Fund Insurance Policy in lieu of making the payments required by this paragraph.

Moneys in the Reserve Fund and subaccounts therein shall be used only for the purpose of the payment of Amortization Installments, principal of, or interest on the Outstanding Bonds secured thereby when the other moneys allocated to the Bond Service Fund are insufficient therefor, and for no other purpose.

Permitted Investments on deposit in the Reserve Fund (or any subaccount therein) shall be valued at fair value pursuant to generally accepted accounting principles at least annually. In the event of the refunding of any Series of Bonds, the Issuer may withdraw from the Reserve Fund or subaccount securing such Series, all or any portion of the amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts as required by the ~~resolution~~Supplemental Resolution authorizing the refunding of such Series of Bonds; provided that such withdrawal shall not be made unless (a) immediately thereafter, the Bonds being refunded shall be deemed to have been paid pursuant to the provisions hereof, and (b)



the amount remaining in the Reserve Fund (or any subaccount therein) after giving effect to the issuance of such refunding obligations and the disposition of the proceeds thereof shall not be less than the applicable Reserve Requirement for any Bonds then Outstanding which are secured thereby.

(3) From the moneys remaining in the Revenue Fund, the Issuer shall next deposit into the Subordinated Debt Service Fund an amount required to be paid as provided in the resolution or agreement of the Issuer authorizing such Subordinated Debt, but for no other purposes.

(4) The Issuer shall next apply and deposit monthly from the moneys remaining on deposit in the Revenue Fund into the Renewal, Replacement and Improvement Fund, an amount at least equal to one-twelfth (1/12th) of five percent (5%) of the Gross Revenues received during the immediately preceding Fiscal Year. The moneys in the Renewal, Replacement and Improvement Fund shall be used only for the purpose of paying the cost of extraordinary repairs, extensions, enlargements or additions to, or the replacement of capital assets of the System or emergency repairs thereto. Notwithstanding anything herein to the contrary, the minimum balance in the Renewal, Replacement and Improvement Fund shall be an amount equal to five hundred thousand dollars (\$500,000), or such other amount as may be determined from time to time by the Consulting Engineers. Funds on hand in the Renewal, Replacement and Improvement Fund may be used to pay current Cost of Operation and Maintenance to the extent moneys on deposit in the Revenue Fund are insufficient for such purposes. The moneys on deposit in such fund may also be used to supplement the Reserve Fund (or any subaccount therein), if necessary, in order to prevent a default in the payment of the principal and interest on the Bonds.

(5) The Issuer may next make monthly transfers of remaining Gross Revenues of the System to its General Fund as payments in lieu of taxes; provided, however, such transfers in any Fiscal Year shall not exceed ten percent (10%) of Gross Revenues of the System received by the Issuer during the immediately preceding Fiscal Year.

(6) The balance of any moneys remaining in the Revenue Fund after the above required payments have been made shall be deposited into the Surplus Fund and may be used for any lawful purpose of the System; provided, however, ~~that none of such moneys shall be used for any purposes other than those hereinabove specified unless~~ so long as the amount on deposit in the Surplus Fund exceeds \$5,000,000 (after giving effect to the proposed interfund loan or loans), the Issuer may make an interfund loan or loans for purposes of financing the Issuer's various non-System capital improvements to the

extent permitted by law and approved by the City Commission following a recommendation from the City Manager and Financial Services Director, and only if all current payments, including any deficiencies for prior payments, have been made in full and ~~unless the Issuer shall have complied fully~~ is in full compliance with all the covenants and provisions of this Resolution.

(C) INVESTMENTS. Moneys in any fund or account created hereunder may be invested and reinvested in Permitted Investments which mature not later than the dates on which the moneys on deposit therein will be needed for the purpose of such fund. All income on such investments, except as otherwise provided, shall be deposited in the respective funds and accounts from which such investments were made and be used for the purposes thereof unless and until the maximum required amount (or, with respect to the Project Fund, the amount required to acquire, construct and erect the Project) is on deposit therein, and thereafter shall be deposited in the Revenue Fund.

In determining the amount of any of the payments required to be made pursuant to this Section 20(C), credit may be given for all investment income accruing to the respective funds and accounts described herein, except as otherwise provided.

(D) OPERATION AND MAINTENANCE. The Issuer will maintain the System and all parts thereof in good condition and will operate the same in an efficient and economical manner, making such expenditures for equipment and for renewals, repairs and replacements as may be proper for the economical operation and maintenance thereof.

(E) RATE COVENANT. The Issuer will fix, establish, revise from time to time whenever necessary, maintain and collect always such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide, Net Revenues in each Fiscal Year sufficient to pay one hundred ten percent (110%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year.

In addition to compliance with the paragraph above, Net Revenues in each Fiscal Year shall also be sufficient to provide one hundred percent (100%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year, any amounts required by the terms hereof to be deposited into the Reserve Fund (including any subaccount therein) or with any Credit Facility Issuer as a result of a withdrawal from the Reserve Fund (including any subaccount therein), the Renewal, Replacement and Improvement Fund and debt service on other obligations payable from the Revenues of the System, and other payments, and all allocations and applications of revenues herein required in such Fiscal Year.

Net Revenues shall not be reduced so as to render them insufficient to provide revenues for the purposes provided therefor by this Resolution.

(F) BOOKS AND ACCOUNTS; AUDIT. The Issuer shall keep proper books, records and accounts, separate and apart from all other records and accounts, showing correct and complete entries of all transactions of the System, and the Holders of any of the Bonds or any duly authorized agent or agents of such Holders shall have the right at any and all reasonable times to inspect such books, records and accounts. The Issuer shall cause, within two hundred ~~ten~~seventy (~~210~~270) days following the close of each Fiscal Year of the Issuer, ~~cause~~ an audit of such books, records and accounts to be made by an independent firm of certified public accountants.

Copies of each such audit report shall be placed on file with the Issuer and be made available at reasonable times for inspection by Holders of the Bonds.

(G) DISPOSITION OF SYSTEM.

The System may be sold or otherwise disposed of as a whole or substantially as a whole, only if the net proceeds to be realized, together with other moneys available for such purpose, shall be sufficient to fully retire all of the Outstanding Bonds issued pursuant to this Resolution and all interest thereon to their respective dates of maturity or earlier redemption dates and to make any termination payments required under any Qualified Agreement. The proceeds from such sale or other disposition of the System shall immediately be deposited first in the Bond Service Fund and then in the Subordinated Debt Service Fund and shall be used only for the purpose of paying Parity Contract Obligations, and paying the principal of and interest on the Bonds and Subordinated Debt as the same shall become due, or the redemption of callable Bonds and Subordinated Debt, or the purchase of Bonds and Subordinated Debt at a price not greater than the redemption price of said Bonds and Subordinated Debt, or, if the Bonds or Subordinated Debt are not then redeemable prior to maturity, at prices not greater than the redemption price of such Bonds or Subordinated Debt on the next ensuing redemption date.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease, exchange or otherwise dispose of any of the tangible property or ownership interest in tangible property comprising a part of the System in the following manner, if any one of the following conditions exist: (a) such property is not necessary for the operation of the System or (b) such property is not useful in the operation of the System or (c) such property is not profitable in the operation of the System.

Prior to any sale, lease, exchange or other disposition of said property:

(1) if the amount to be received therefor is not in excess of one-half (1/2) of one ~~percentum~~percent (1%) of the value of the gross plant investment in the System, the officer of the Issuer charged with the normal acquisition, construction, operation, maintenance and repair of the portion of the System for which disposition is sought, may determine that such property comprising a part of such System is either no longer necessary, useful or profitable in the operation thereof.

(2) if the amount to be received therefor is in excess of one-half (1/2) of one ~~percentum~~percent (1%) of the value of the gross plant investment in the System, the officer of the Issuer charged with the normal acquisition, construction, operation, maintenance and repair of the portion of the System for which disposition is sought and the Consulting Engineers shall each first make a finding in writing determining that such property comprising a part of such System is either no longer necessary, useful or profitable in the operation thereof, and the Issuer shall, by resolution duly adopted, approve and concur in the finding of such authorized officer and the Consulting Engineers.

The net proceeds realized from such disposal of a part of the System shall be deposited in the Renewal, Replacement and Improvement Fund to the extent necessary to make the amount on deposit therein equal to the amount then required to be on deposit therein; and any additional moneys not needed for said fund shall be used for any capital expenditures in connection with the System or the purchase or redemption of Outstanding Bonds.

Notwithstanding any other provision of this Section 20(G) or this Resolution to the contrary, except for the initial paragraph of this Section 20(G), the Issuer may sell, lease, exchange or otherwise dispose of tangible property or an ownership interest in tangible property comprising a part of the System provided the duly authorized officer charged with the normal acquisition, construction, operation, maintenance and repair of the portion of the System for which disposition is sought, and the Qualified Independent Consultant each make a finding in writing, adopted and confirmed by resolution of the Issuer, determining that (i) such sale, lease, exchange or other disposition will not materially impair or restrict the Issuer's ability to realize Gross Revenues in compliance with the requirements therefor as set forth herein, and (ii) such sale, lease, exchange or other disposition is in the economic best interests of the Issuer.

Notwithstanding any other provision of this Section 20(G) or this Resolution to the contrary, the Issuer may transfer ownership and/or operation of all or a portion of the System to any public body authorized by the laws of the State to own and/or operate such System on an installment sale basis provided that the Issuer (i) has received an opinion of Bond Counsel stating the federal income tax exemption of the interest on the Bonds (not including taxable Bonds) will not be affected and has received an opinion of Bond Counsel stating that such sale is

not prohibited by any applicable Florida law, and (ii) the Issuer adopts a resolution to the effect that, based upon such certificates and opinions of its Consulting Engineers, independent certified public accountants, Bond Counsel, Financial Advisor or other Qualified Independent Consultant as the Issuer shall deem necessary, desirable or appropriate, such transfer will not materially adversely affect the rights of the Holders of the Bonds.

(H) INSURANCE. The Issuer shall provide protection for the System both in accordance with the requirements of all agreements, if any, to which the Issuer may at the time be a party with respect to joint ownership of properties by the Issuer with others which is part of the System, and in accordance with Prudent Utility Practice. Said protection may consist of insurance, self insurance and indemnities. The Issuer will keep, or cause to be kept, the works, plants and facilities comprising the properties of the System insured, and will carry such other insurance against fire and other risks, accidents or casualties at least to the extent and of the kinds that insurance is usually carried by utilities operating like properties. Any insurance shall be in the form of policies or contracts for insurance with insurers of good standing, shall be payable to the Issuer and may provide for such deductibles, exclusions, limitations, restrictions, and restrictive endorsements customary in policies for similar coverage issued to entities operating properties similar to the properties of the System. Any self insurance shall be in the amounts, manner and of the type provided by entities operating properties similar to the properties of the System. In the event of any loss or damage to the System covered by insurance, the Issuer will, with respect to each such loss, promptly repair, reconstruct or replace the parts of the System affected by such loss or damage to the extent necessary to the proper conduct of the operation of the business of the System in accordance with Prudent Utility Practice, shall cause the proceeds of such insurance to be applied for that purpose to the extent required therefor, and pending such application, shall hold the proceeds of any insurance policy covering such damage or loss in trust to be applied for that purpose to the extent required therefor. Any excess insurance proceeds received by the Issuer may be used by the Issuer for any lawful purpose. Notwithstanding the foregoing or any provisions of this Resolution to the contrary, the Issuer shall not be required to maintain insurance with respect to facilities for which insurance shall not be available at reasonable cost or for facilities which, in accordance with Prudent Utility Practice, are not customarily insured.

(I) NO FREE SERVICE. ~~So~~To the extent permitted by law, so long as any Bonds are ~~outstanding~~Outstanding, the Issuer shall not furnish or supply the facilities, services and commodities of the System either free of charge or for a nominal charge to any person, firm or corporation, public or private, including the Issuer's departments, agencies and instrumentalities which avail themselves of the services of the System. ~~The~~To the extent permitted by law, the Issuer shall promptly enforce the payment of any and all accounts owing to the Issuer and

delinquent, by discontinuing service or by filing suits, actions or proceedings, or by both discontinuance of service and filing suit.

(J) MANDATORY CUT OFF. ~~The~~To the extent permitted by law, the Issuer shall establish a written policy consistent with sound business judgment for the disconnection from the System of any customer who fails to pay for services rendered by the System, and shall enforce such policy diligently and fairly.

(K) ENFORCEMENT OF COLLECTIONS. The Issuer will diligently enforce and collect the rates, fees and other charges for the services and facilities of the System and will take all steps, actions and proceedings for the enforcement and collection of such rates, charges and fees as shall become delinquent to the full extent permitted or authorized by law; and will maintain accurate records with respect thereof. All such fees, rates, charges and revenues shall, as collected, be held in trust to be applied as herein provided.

(L) OPERATING BUDGET. The Issuer shall annually, prior to commencement of each of its Fiscal Years, prepare and adopt a budget of the estimated expenditures for the operation and maintenance of the System during such next succeeding Fiscal Year. ~~The~~In the event that electronic copies of the budgets are not available on the Issuer's official website, and upon reasonable request in writing by any Holder or Holders of Bonds or anyone acting for and on behalf of such Holder or Holders, the Issuer shall mail copies of such annual budgets (including any amendments thereto) to ~~any~~such Holder or Holders of Bonds or to anyone acting for and on behalf of such Holder or Holders who shall file his/her address with the Issuer ~~and request in writing that copies of all such budgets be furnished him and shall make available such budgets of the System at all reasonable times to any Holder or Holders of Bonds or to anyone acting for and on behalf of such Holder or Holders.~~ Bondholders shall pay reasonable actual cost of printing and mailing of such copies.

(M) MANDATORY CONNECTIONS; NO COMPETING SYSTEM. So long as service is in fact available as reasonably determined by the Issuer, the Issuer will, to the full extent permitted by law, require all lands, buildings and structures within the area being served by the ~~Sewer System (other than residential reuse system),~~ to connect with and use such facilities within one year after notification. To the extent permitted by law, the Issuer will not grant a franchise for the operation of any competing utility system or systems within the area served by the System until all Bonds issued hereunder, together with the interest thereon, and premium, if any, have been paid in full. Notwithstanding the foregoing, the Issuer shall not be required to duplicate services being provided by private or public utilities in the area being served by such private or public utilities on the date of issuance of the first Series of Bonds hereunder. In addition, the Issuer shall not be prohibited from allowing other private or public utilities to



provide water or sewer services within the area being served by the System, if the Issuer shall not be providing such service in such area on that date. Nothing herein shall be deemed to constitute the approval of the Issuer for any private or public utility (other than the System) to provide any services within the boundaries of the Issuer or within the area being served by the System or within any other area of the Issuer.

(N) SUPERVISORY PERSONNEL. The Issuer, in operating the System, will employ or designate, as manager, one or more of its qualified employees, or an independent contractor, who have demonstrated ability and experience in operating similar facilities, and will require all such employees or independent contractors, as the case may be, who may have possession of money derived from the operation of the System to be covered by a fidelity bond, written by a responsible indemnity company in amounts fully adequate to protect the Issuer from loss.

(O) PAYMENT OF TAXES, ASSESSMENTS AND OTHER CLAIMS. The Issuer shall from time to time duly pay and discharge, or cause to be paid and discharged, all taxes, assessments and other governmental charges, or payments in lieu thereof, lawfully imposed upon the properties constituting the System or the Gross Revenues when the same shall become due, as well as all lawful claims for labor and materials and supplies which, if not paid, might become a lien or charge upon such properties or any part thereof, or upon the Gross Revenues or which might in any way impair the security of the Bonds, except assessments, charges or claims which the Issuer shall in good faith contest by proper legal proceedings.

(P) ISSUANCE OF OTHER OBLIGATIONS. The Issuer shall issue no bonds or obligations of any kind or nature payable from or enjoying a lien on the Pledged Revenues if such obligations have priority over the Bonds or any Parity Contract Obligations with respect to payment or lien, nor shall the Issuer create or cause or permit to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien of the Bonds and any Parity Contract Obligations upon said Pledged Revenues. Notwithstanding any other provision in this Section 20(P), the Issuer may issue Additional Parity Obligations under the conditions and in the manner provided herein. Any obligations of the Issuer, other than the Bonds and any Parity Contract Obligations, which are payable from the Pledged Revenues shall contain an express statement that such obligations are junior and subordinate in all respects to the Bonds and any Parity Contract Obligations as to lien on and source and security for payment from such Pledged Revenues.

(Q) ISSUANCE OF ADDITIONAL PARITY OBLIGATIONS. No Additional Parity Obligations shall be issued after the issuance of the Series 2009 Bonds herein authorized, except upon the conditions and in the manner hereinafter provided:

(1) There shall have been obtained and filed with the Clerk a certificate of the Director of Financial Services stating: (a) that the books and records of the Issuer relative to the System and the Net Revenues have been reviewed by the Director of Financial Services; and (b) that the amount of the Net Revenues derived for any consecutive twelve (12) months out of the preceding thirty (30) months preceding the date of issuance of the proposed Additional Parity Obligations (the "Test Period") adjusted as provided in paragraphs (2), (3), (4), (5) and/or (6) below, is equal to and not less than 110% of the Maximum Bond Service Requirement becoming due in any Bond Year thereafter on (A) all Bonds issued under this Resolution, if any, then Outstanding, and (B) on the Additional Parity Obligations with respect to which such certificate is made.

(2) Upon recommendation of the Qualified Independent Consultants, the Net Revenues certified pursuant to (b) in the previous paragraph may be adjusted for purposes of this Section 20(Q) by including: (a) 100% of the additional Net Revenues which in the opinion of the Qualified Independent Consultant would have been derived by the Issuer from rate increases adopted before the Additional Parity Obligations are issued, if such rate increases had been adopted before the issuance of the Additional Parity Obligations, and (b) 100% of the additional Net Revenues estimated by the Qualified Independent Consultant to be derived during the first full twelve month period after the facilities of the System are extended, enlarged, improved or added to with the proceeds of the Additional Parity Obligations with respect to which such certificate is made.

(3) Upon recommendation of the Qualified Independent Consultants, if the Additional Parity Obligations are to be issued for the purpose of acquiring an existing water system and/or sewer system and/or any other utility system in accordance with Section 26 hereof, the Net Revenues certified pursuant to Section 20(Q)(1)(b) may be adjusted by including: 100% of the additional estimated Net Revenues which in the written opinion of the Qualified Independent Consultants will be derived from the acquired facilities during the first full 12-month period after the issuance of such Additional Parity Obligations (the Qualified Independent Consultants' report shall be based on the actual operating revenues of the acquired utility for a recent 12-month period adjusted to reflect the Issuer's ownership and the Issuer's rate structure in effect with respect to the System at the time of the issuance of the Additional Parity Obligations).

(4) Upon recommendation of the Qualified Independent Consultants, if the number of connections as of the first day of the month in which the proposed Additional Parity Obligations are to be issued exceeds the average number of such connections



during such twelve (12) consecutive month period, then the Net Revenues certified pursuant to Section 20(Q)(1)(b) may be adjusted to include the Net Revenues which would have been received in such twelve (12) consecutive months if those additional connections had also been connected to the System during all of such twelve (12) consecutive months.

(5) Upon recommendation of the Qualified Independent Consultant, if the Issuer shall have entered into a contract, which contract shall be for a duration of not less than the final maturity of the proposed Additional Parity Obligations, with any public body, whereby the Issuer shall have agreed to furnish services for the collection, treatment or disposal of sewage or agreed to furnish services in connection with any water system or any other utility system, then the Net Revenues certified pursuant to Section 20(Q)(1)(b) may be increased (to the extent such amounts were not reflected in such Net Revenues) by the minimum amount which the public body shall guarantee to pay in any one year for the furnishing of services by the Issuer, after deducting from such payment the estimated Cost of Operation and Maintenance attributable in such year to such services.

(6) Upon recommendations of the Qualified Independent Consultants, if there is an estimated increase in Net Revenues to be received by the Issuer as a result of additions, extensions or improvements to the System during the period of three (3) years following the completion of such additions, extensions or improvements financed with the proceeds of Bonds or Additional Parity Obligations, then the Net Revenues derived from the System certified pursuant to Section 20(Q)(1)(b) may be increased by fifty percent (50%) of the average annual additional Net Revenues calculated for such three year period.

(7) The Issuer need not comply with the provisions of paragraph (1) of this Section 20(Q) if and to the extent the Additional Parity Bonds to be issued are refunding bonds, if the Issuer shall cause to be delivered a certificate of the Director of Financial Services of the Issuer setting forth the Maximum Annual Debt Service Requirement (i) for the Bonds then Outstanding and (ii) for all Series of Bonds to be immediately Outstanding thereafter and stating that the Maximum Annual Debt Service Requirement pursuant to (ii) above is not greater than that set forth pursuant to (i) above. Furthermore, the Issuer need not comply with the provisions of paragraph (1) of this Section 20(Q) if and to the extent the Additional Parity Bonds to be issued legally defease all theretofore Outstanding Bonds.

(8) The Issuer need not comply with the provisions of paragraph (1) of this Section 20(Q) if and to the extent the Bonds to be issued are for the purpose of providing any necessary additional funds required for completion of any improvements to the System ("Completion Bonds") if originally financed with the proceeds of Bonds; provided that such Completion Bonds for which the Issuer need not comply with the provision of such paragraph (1) of this Section 20(Q) may not exceed 10% of the total principal amount of Bonds estimated to be required for such improvements to the System at the time of issuance of the initial Series of Bonds to finance such improvements.

(9) The Director of Financial Services of the Issuer shall have certified that the Issuer is not in default in the carrying out of any of the obligations assumed under this Resolution and no event of default shall have occurred under this Resolution and shall be continuing, and all payments required by this Resolution to be made into the funds and accounts established hereunder shall have been made to the full extent required.

(10) The Supplemental Resolution authorizing the issuance of the Additional Parity Obligations shall recite that all of the covenants contained herein will be applicable to such Additional Parity Obligations.

(R) RATE STABILIZATION FUND. The Issuer may transfer into the Rate Stabilization Fund such moneys which are on deposit in the Surplus Fund as it deems appropriate. The Issuer may transfer such amount of moneys from the Rate Stabilization Fund to the Revenue Fund as it deems appropriate; provided, however, that on or prior to each principal and interest payment date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Rate Stabilization Fund shall be applied for the payment into the Interest Account, the Parity Contract Obligation Account, the Principal Account and the Redemption Account when the moneys therein are insufficient to pay the principal of and interest on the Bonds coming due and to pay any Parity Contract Obligations, but only to the extent moneys transferred from the Surplus Fund and Renewal, Replacement and Improvement Fund for such purposes pursuant to Sections 20(B)(4) and 20(B)(5) hereof, shall be inadequate to fully provide for such insufficiency.

Section 21. ~~SECTION 21.~~ Defaults; Events of Default and Remedies. Except as provided below, if any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default:"

(A) Default in the due and punctual payment of any interest on the Bonds;

(B) Default in the due and punctual payment of the principal of and premium, if any, on any Bond, at the stated maturity thereof, or upon proceedings for redemption thereof;

(C) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer contained in this Resolution or in the Bonds and the continuance thereof for a period of thirty (30) days after written notice to the Issuer given by the Holders of not less than twenty-five percent (25%) of aggregate principal amount of Bonds then Outstanding (provided, however, that with respect to any obligation, covenant, agreement or condition which requires performance by a date certain, if the Issuer performs such obligation, covenant, agreement or condition within thirty (30) days of written notice as provided above, the default shall be deemed to be cured);

(D) Failure by the Issuer promptly to remove any execution, garnishment or attachment of such consequence as will materially impair its ability to carry out its obligations hereunder; or

(E) Any act of bankruptcy or the rearrangement, adjustment or readjustment of the obligations of the Issuer under the provisions of any bankruptcy or moratorium laws or similar laws relating to or affecting creditors' rights.

The term "default" shall mean default by the Issuer in the performance or observance of any of the covenants, agreements or conditions on its part contained in this Resolution, any Supplemental Resolution or in the Bonds, exclusive of any period of grace required to constitute a default or an "Event of Default" as hereinabove provided.

Notwithstanding the foregoing, the occurrence of any default under a Qualified Agreement, including without limitation failure on the part of the Issuer to pay Parity Contract Obligations or to pay a termination fee under a Qualified Agreement, shall not be construed as or deemed to constitute an "Event of Default" hereunder; rather, such occurrence shall be remedied pursuant to such Qualified Agreement and applicable legal and equitable principles taking into account the parity status as to lien on Pledged Revenues which the counterparty to such Qualified Agreement enjoys as to Parity Contract Obligations only, relative to that of the Bondholders and their rights to payments hereunder.

For purposes of Section 21(A) and (B) hereof, no effect shall be given to any payments made under any Bond Insurance Policy.

Any Holder of Bonds issued under the provisions hereof or any trustee acting for the Holders of such Bonds may, either at law or in equity, 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 State or federal law, or granted and contained herein, and may enforce and compel the performance of all duties required herein or by any applicable law to be performed by the Issuer or by any officer thereof.

Nothing herein, however, shall be construed to grant to any Holder of the Bonds any lien on any property of the Issuer, except the Pledged Revenues.

The foregoing notwithstanding:

(i) No remedy conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholders hereunder.

(ii) No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient.

(iii) No waiver of any default or Event of Default hereunder by the Bondholders shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

(iv) Acceleration of the payment of principal of and interest on the Bonds shall not be a remedy hereunder in the case of an Event of Default.

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholders under this Resolution, the Bondholders shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the System and the funds pending such proceedings, with such powers as the court making such appointment shall confer.

Notwithstanding any provision of this Resolution to the contrary, for all purposes of this Section 21, except the giving of notice of any Event of Default to the Holder of the Bonds, any Insurer shall be deemed to be the Holder of the Bonds it has insured.

On the occurrence of an Event of Default, to the extent such rights may then lawfully be waived, neither the Issuer nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Resolution, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent it may lawfully do so, the benefit of all such laws and all right of redemption to which it may be entitled.

Within 30 days of knowledge thereof, both the Issuer and the Paying Agent shall provide notice to any and all Insurers of Bonds if any, of the occurrence of any Event of Default.

The respective Insurers of Bonds, if any, shall be included as a party in interest and as a party entitled to (i) notify the Issuer or any applicable receiver of the occurrence of an Event of Default, and (ii) request the receiver to intervene in judicial proceedings that affect the Bonds or the security therefor. The receiver is required to accept notice of default from each Insurer of Bonds.

Anything in this Resolution to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, the Insurers of Bonds, if any, in default shall be entitled to control and direct the enforcement of all rights and remedies granted to the Bondholders under this Resolution, and the Insurers of Bonds, if any, in default shall also be entitled to approve all waivers of events of default.

Section 22.     ~~SECTION 22.~~ Amending and Supplementing of Resolution without Consent of Holders of Bonds. The Issuer, from time to time and at any time and without the consent or concurrence of any Holder of any Bonds, may adopt a Supplemental Resolution amendatory hereof or supplemental hereto if the provisions of such Supplemental Resolution shall not materially adversely affect the rights of the Holders of the Bonds then Outstanding, for any one or more of the following purposes:

(A) To make any changes or corrections in this Resolution as to which the Issuer shall have been advised by Bond Counsel that are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or omission or mistake or manifest error contained in this Resolution, or to insert in this Resolution such provisions clarifying matters or questions arising under this Resolution as are necessary or desirable;

(B) To add additional covenants and agreements of the Issuer for the purpose of further securing the payments of the Bonds and any Parity Contract Obligations;

(C) To surrender any right, power or privilege reserved to or conferred upon the Issuer by the terms of this Resolution;

(D) To confirm, as further assurance, any lien, pledge or charge or the subjection to any lien, pledge or charge, created or to be created by the provisions of this Resolution;

(E) To grant to or confer upon the Holders or any Qualified Agreement Provider any additional right, remedies, powers, authority or security that lawfully may be granted to or conferred upon them;

(F) To assure compliance with federal "arbitrage" provisions in effect from time to time;

(G) To provide such changes as may be necessary in order to adjust the terms hereof (but not including the provisions of Section 20(E) and Section 20(Q) hereof) so as to facilitate the issuance of Variable Rate Bonds, Option Bonds, the execution of any Qualified Agreement, or to obtain a Credit Facility;

(H) To provide for the combination of the System with any other utility provided the conditions set forth in Section 26 hereof are satisfied;

(I) To provide for the transfer of the ownership and/or operation of the System pursuant to a governmental reorganization as set forth in Section 25 hereof;

(J) To facilitate the issuance of utility cost containment bonds by some legal entity other than the Issuer to be secured by a “utility project charge” or the like as contemplated in Section 27 hereof; or

~~(J)~~ (K) To modify any of the provisions of this Resolution in any other aspects provided that such modifications shall not be effective until after the Bonds Outstanding at the time such Supplemental Resolution is adopted shall cease to be Outstanding, or until the holders thereof consent thereto pursuant to Section 23 hereof, and any Bonds issued subsequent to any such modification shall contain a specific reference to the modifications contained in such Supplemental Resolution.

Except for Supplemental Resolutions providing for the issuance of Bonds pursuant hereto, the Issuer shall not adopt any Supplemental Resolution authorized by the foregoing provisions of this Section unless, in the opinion of Bond Counsel, the adoption of such Supplemental Resolution is permitted by the foregoing provisions of this Section.

Notwithstanding anything else in this Resolution to the contrary, any amendment or supplement to this Resolution, with the exception of ~~that~~the Supplemental Resolution relating to the issuance of Additional Parity Obligations, shall be subject to the prior written consent of each of the Insurers of the Bonds, if any. Each of the Insurers of the Bonds shall be provided with a full transcript of all proceedings relating to the execution of any such amendment or supplement.

Section 23. ~~SECTION 23.~~ Amendment of Resolution with Consent of Holders of Bonds. Except as provided in Section 22 hereof, no material modification or amendment of this Resolution or of any resolution supplemental hereto shall be made without the consent in writing of the Holders of fifty-one percent (51%) or more in the principal amount of the Bonds of each Series so affected and then Outstanding and any Qualified Agreement Provider. For purposes of this Section, to the extent any Bonds are insured by a Bond Insurance Policy or are



secured by a Credit Facility and such Bonds are then rated in as high a rating category as the rating category in which such Bonds were rated at the time of initial issuance and delivery thereof by either S&P, Moody's or Fitch or successors and assigns, then the consent of the Insurer or Insurers of such Bond Insurance Policy or the issuer or issuers of such letter of credit shall be deemed to constitute the consent of the Holder of such Bonds. No modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon or in the amount of the principal obligation thereof or reduce the percentage of the Holders of the Bonds required to consent to any material modification or amendment hereof without the consent of the Holder or Holders of all such obligations. For purposes of the immediately preceding sentence, the issuer or issuers of a Bond Insurance Policy or a Credit Facility shall not consent on behalf of the Holders of the Bonds. No amendment or supplement pursuant to this Section 23 (but not including Section 22 hereof) shall be made without the consent of each of the Insurers of Bonds.

Notwithstanding anything else in this Resolution to the contrary, any amendment or supplement to this Resolution, with the exception of ~~that~~the Supplemental Resolution relating to the issuance of Additional Parity Obligations, shall be subject to the prior written consent of each of the Insurers of the Bonds. Any rating agency rating the Bonds must receive notice of each amendment and a copy thereof at least fifteen (15) days in advance of its execution or adoption. Each of the Insurers of the Bonds shall be provided with a full transcript of all proceedings relating to the execution of any such amendment or supplement.

Section 24. ~~SECTION 24.~~ Defeasance. The covenants and obligations of the Issuer shall be defeased and discharged under terms of this Resolution as follows:

(A) If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to any Qualified Agreement Provider any and all Parity Contract Obligations and to the Holders of all Bonds the principal, redemption premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated herein, then the pledge of the Pledged Revenues and all covenants, agreements and other obligations of the Issuer to any Qualified Agreement Provider and the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid, to any Qualified Agreement Provider any and all Parity Contract Obligations and to the Holders of any Outstanding Bonds the principal, redemption premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated herein, such Parity Contract Obligations and such Bonds shall cease to be entitled to any lien, benefit or security under this Resolution, and all covenants, agreements and obligations of the Issuer to any Qualified Agreement Provider and the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

(B) The Bonds, redemption premium, if any, and interest due or to become due for the payment or redemption of which moneys shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in paragraph (A) of this Section 24. Subject to the provisions of paragraph (C) and (D) of this Section 24, any Outstanding Bonds shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in paragraph (A) of this Section if (i) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Issuer shall have given to the escrow agent instructions accepted in writing by the escrow agent to notify Holders of Outstanding Bonds in the manner required herein of the redemption of such Bonds on said date, and (ii) there shall have been deposited with the escrow agent either moneys in an amount which shall be sufficient, or Acquired Obligations (including any Acquired Obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the escrow agent at the same time, shall be sufficient, to pay when due the principal of and premium, if any, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be. In the event of ~~an advance refunding~~a defeasance pursuant to clause (ii) above, the Issuer shall cause to be delivered a verification report of an independent nationally recognized certified public accountant. If a forward supply contract is employed in connection with the refunding, (i) such verification report shall expressly state that the adequacy of the escrow to accomplish the refunding project relies solely on the initial escrowed investments and the maturing principal thereof and interest income thereon and does not assume performance under or compliance with the forward supply contract, and (ii) the applicable escrow agreement shall provide that in the event of any discrepancy or difference between the terms of the forward supply contract and the escrow agreement and this Resolution, the terms of the escrow agreement and this Resolution shall be controlling.

(C) For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Acquired Obligations and moneys, if any, in accordance with paragraph (B) of this Section 24, the interest to come due on such Variable Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated assuming that interest thereon will accrue at the maximum rate of interest such Variable Rate Bonds may bear pursuant to the Supplemental Resolution authorizing the issuance thereof, or the maximum rate permitted by law if such Supplemental Resolution provides no maximum rate of interest.



(D) Option Bonds shall be deemed to have been paid in accordance with the second sentence of paragraph (B) of this Section 24 only if, in addition to satisfying the requirements of clauses (i) and (ii) of such sentence, there shall have been deposited with the escrow agent moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and redemption premium, if any, and interest on such Bonds which could become payable to the Holders of such Bonds upon the exercise of any options provided to the Holders of such Bonds; provided, however, that if, at the time a deposit is made with the escrow agent pursuant to paragraph (B) of this Section 24, the options originally exercisable by the Holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this paragraph (D). If any portion of the moneys deposited with the escrow agent for the payment of the principal of and redemption premium, if any, and interest on Option Bonds is not required for such purpose, the escrow agent shall, if requested by the Issuer, pay the amount of such excess to the Issuer free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under the Resolution.

Section 25. ~~SECTION 25.~~ Governmental Reorganization. Notwithstanding any other provisions of this Resolution, this Resolution shall not prevent any lawful reorganization of the governmental structure of the Issuer, including a merger or consolidation of the Issuer with another public body or the transfer of a public function of the Issuer to another public body, provided that any reorganization which affects the System shall provide that the System shall be continued as a single enterprise and that any public body which succeeds to the ownership and operation of the System shall also assume all rights, powers, obligations, duties and liabilities of the Issuer under this Resolution and pertaining to all Bonds and any Qualified Agreement.

Section 26. ~~SECTION 26.~~ Additional Utility Functions. The Issuer may expand the utility functions of the System as they exist on the date hereof as permitted in the definition of "System" contained herein, provided that the Issuer has received the prior written consent of the Insurer, if any, (provided the Insurer is not in default of its obligations under its Credit Facility), and adopted resolutions of the Issuer to the effect that, based upon such certificates and opinions of its Consulting Engineers, independent certified public accountants, Bond Counsel, Financial Advisor or other Qualified Independent Consultants as the Issuer shall deem necessary, desirable or appropriate, the addition of such utility functions (a) will not impair the ability of the Issuer to comply with the provisions of this Resolution, and (b) will not materially adversely affect the rights of the Holders of the Bonds.

Section 27. Utility Cost Containment Bonds. Pursuant to section 163.09, Florida Statutes, notwithstanding anything herein to the contrary, (i) if permitted by applicable law, the Issuer may in the future cause or permit the creation of a property right referred to as a "utility

project charge” or the like, levied on customers of the System as a separate charge on the utility bill, to secure utility cost containment bonds or other indebtedness issued or incurred by an interlocal agency or limited liability company in order to finance or refinance a utility project of the Issuer or the System; (ii) revenues from a utility project charge shall not constitute a Gross Revenue of the Issuer or the System for any purpose, including any dedication, commitment, or pledge of revenue, receipts, or other income that the Issuer or the System has made or will make for the security of any of its obligations; and (iii) if the Issuer or the System shall hold the money collected in trust from such utility project charge, such money shall not become a Gross Revenue by virtue of possession by the Issuer or the System.

Section 28. ~~SECTION 27.~~ Qualified Agreements. Any payments received by the Issuer from a Qualified Agreement Provider shall constitute Gross Revenues hereunder. Any payments to a Qualified Agreement Provider under a Qualified Agreement so designated by the Issuer, can constitute Parity Contract Obligations or Subordinated Debt. Notwithstanding the foregoing, termination payments, indemnification ~~payment~~payments, or other fees to be paid by the Issuer to a Qualified Agreement Provider under a Qualified Agreement and which do not constitute regularly scheduled payments determined by reference to interest on a notional amount may only constitute Subordinated Debt, and may not constitute Parity Contract Obligations.

The Issuer may enter into one or more Qualified Agreements with respect to one or more Series of Bonds (or portions thereof); provided, however, that if such Qualified Agreement is not entered into at the time of initial issuance of the Series of Bonds to which it relates, the requirements of Section 20(Q)(1) hereof must be met, applying the same as if \$1.00 in principal amount of Additional Parity Bonds is being issued as of the effective date of such Qualified Agreement.

Section 29. ~~SECTION 28.~~ Payments to Credit Facility. In connection with any Bonds, the Issuer may obtain or cause to be obtained one or more Credit Facilities and agree with any Credit Facility Issuer to reimburse such issuer directly for amounts paid under the terms of such Credit Facility, together with interest thereof; provided, however, that no obligation to reimburse a Credit Facility Issuer shall be created, for purposes of this Resolution, until amounts are paid under such Credit Facility. Such payments are referred to herein as "Reimbursement Obligations." Any Reimbursement Obligation may be secured by a pledge of and a lien on the Pledged Revenues on a subordinate basis to the lien created herein in favor of the Holders of the Bonds and any Qualified Agreement Provider. Any such Reimbursement Obligation shall be deemed to be a part of the Series to which the Credit Facility which gave rise to such Reimbursement Obligation relates. Payments to reimburse the issuer of a Credit Facility shall constitute Subordinated Debt.

Section 30. ~~SECTION 29.~~ Capital Appreciation Bonds. For the purposes of (i) receiving payment of the redemption price of a Capital Appreciation Bond if redeemed prior to maturity, (ii) computing Bond Service Requirement, and (iii) computing the amount of Holders required for any notice, consent, request or demand hereunder for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

Section 31. ~~SECTION 30.~~ Tax Covenants.

(A) The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it shall not use the proceeds of such Series of Bonds in any manner which would cause the interest on such Series of Bonds to be or become includable in the gross income of the Holder thereof for federal income tax purposes.

(B) The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of such Series of Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series of Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on such Series of Bonds to become includable in the gross income of the Holder thereof for federal income tax purposes.

(C) The Issuer hereby covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from the gross income of the Holder thereof for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

(D) The Issuer hereby covenants with the Holders of each Series of Build America Bonds that it will comply with all provisions of the Code necessary to maintain the status of such bonds as Build America Bonds within the meaning ~~of Section 54AA(d)~~ of the Code. In the case of Build America Bonds for which the Issuer irrevocably elects to receive a refundable credit from the United States Treasury, the Issuer covenants to comply with all provisions of the Code necessary to maintain the status of such bonds as "qualified bonds" within the meaning ~~of Section 54AA(g)~~ of the Code.

(E) The Issuer may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is (or may be) includable in the gross income of the Holder thereof for federal income tax purposes, so long as each Bond of such Series states in the body thereof that interest payable thereon is (or may be) subject to federal income taxation and provided that the issuance thereof will not cause the interest on any other Bonds theretofore issued hereunder to be or

become includable in the gross income of the Holder thereof for federal income tax purposes. The covenants set forth in paragraphs (A), (B) and (C) above shall not apply to any Taxable Bonds.

(F) There is hereby created and established a fund to be known as the "City of Tamarac Utility System Revenue Bonds Rebate Fund" (the "Rebate Fund"), and a separate account therein for each Series of Bonds. The Issuer shall deposit into the appropriate account in the Rebate Fund, from investment earnings on moneys deposited in the other funds and accounts created hereunder, or from any other legally available funds of the Issuer, an amount equal to the Rebate Amount for such Rebate Year. The Issuer shall use such moneys deposited in the appropriate account in the Rebate Fund only for the payment of the Rebate Amount to the United States as required by this Section 30. In complying with the foregoing, the Issuer may rely upon any instructions or opinions from Bond Counsel.

If any amount shall remain in the Rebate Fund after payment in full of all Bonds issued hereunder that are not Taxable Bonds and after payment in full of the Rebate Amount to the United States in accordance with the terms hereof, such amounts shall be available to the Issuer for any lawful purpose.

The Rebate Fund shall be held separate and apart from all other funds and accounts of the Issuer, shall not be impressed with a lien in favor of the Bondholders and the moneys therein shall be available for use only as herein provided.

Section 32. ~~SECTION 31.~~ Bond Anticipation Notes Authorized for Interim Financing. Pursuant to authority granted by Section 215.431, Florida Statutes, the Issuer is authorized to issue Bond Anticipation Notes, (which may include Grant Anticipation Notes for all purposes of this Section 32) in one or more series, from time to time for the purposes authorized by this Resolution, and for the purpose of obtaining interim financing. Prior to the sale of Bonds authorized by this Resolution, the Issuer may issue its Bond Anticipation Notes as provided herein and as provided in Section 215.431, Florida Statutes. Any such Bond Anticipation Notes authorized by the Issuer shall be issued upon the adoption of a resolution by the Issuer specifying the amount of Bond Anticipation Notes to be issued, the series designation, the maturity of such Bond Anticipation Notes, the denomination, date and the rate of interest which shall be borne by such Bond Anticipation Notes which shall not be at a rate greater than the highest rate authorized by law. Any such Bond Anticipation Notes issued may be sold in the manner provided by Section 215.431, Florida Statutes and shall satisfy all other requirements contained therein, including those related to the maturity of such Bond Anticipation Notes.

Section 33. ~~SECTION 32.~~ Additional Rights to Insurers. All notices required to be given to any party hereunder shall also be given to the Insurer, if any. Pursuant to one or

more Supplemental Resolutions, the Issuer may provide additional rights, covenants, agreements and restrictions relating to any Insurer and any Bond Insurance Policy.

Section 34. ~~SECTION 33.~~ Severability. If any one or more of the covenants, agreements or provisions of this Resolution should 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 or shall in any manner be held to adversely affect the validity of the Bonds, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution or of the Bonds issued hereunder.

Section 35. ~~SECTION 34.~~ Sale of Bonds. The Bonds may be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the requirements of this Resolution and other applicable provisions of law.

Section 36. ~~SECTION 35.~~ General Authority. The members of the City Commission of the Issuer and the Issuer's officers, attorneys and other agents and employees are hereby authorized to perform all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel to effectuate the sale of the Bonds to said initial purchasers.

Section 37. ~~SECTION 36.~~ No Third Party Beneficiaries. Except such other Persons as may be expressly described herein, in the Bonds, or in a Qualified Agreement, nothing in this Resolution, or in the Bonds, expressed or implied, is intended or shall be construed to confer upon any Person, other than the Issuer and the Holders, any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bonds or any Qualified Agreement, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Persons who shall from time to time be the Holders and any Qualified Agreement Provider.

Section 38. ~~SECTION 37.~~ No Personal Liability. Neither the members of the City Commission of the Issuer, any person executing the Bonds, any other charter employees, nor employees of the Issuer shall be personally liable therefor or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 39. ~~SECTION 38.~~ Amendment and Restatement; Repeal of Inconsistent Instruments. ~~All~~ Resolution No. R-2009-96 previously adopted by the City Commission of the

Temp. Reso. #~~11658~~12859

~~Revision #2—July 10, 2009~~

~~Revision #3—July 14, 2009~~

~~Revision #4—July 15, 2009~~

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Issuer is hereby amended and restated in its entirety. All other resolutions or parts or resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 40. ~~SECTION 39.~~ Effective Date. This Resolution shall become effective ~~immediately upon its adoption~~upon such time as (i) its adoption, (ii) the Issuer is in receipt of written consent of the 2009 Insurer, and (iii) the Issuer is in receipt of evidence of 51% Bondholder consent.

PASSED AND ADOPTED ~~THE 22nd~~11<sup>th</sup> day of ~~July, 2009.~~October, 2016.

CITY OF TAMARAC, FLORIDA

~~Beth Flansbaum Talabisco~~Harry Dressler, Mayor

ATTEST:

~~Marion Swenson, CMC~~Patricia A. Teufel, CMC  
City Clerk

I HEREBY CERTIFY that I have  
approved this Resolution as to form

Samuel S. Goren  
City Attorney

Temp. Reso. #~~11658~~12859

~~Revision #2—July 10, 2009~~

~~Revision #3—July 14, 2009~~

~~Revision #4—July 15, 2009~~

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EXHIBIT A

2009 INSURER CONSENT TO AMENDMENTS





**Title - TR12860 - Utility System Refunding Revenue Bonds, Series 2016A and Series 2016B (Taxable)**

Item No. 6 (d) on the Consent Agenda. (TR12860) A Resolution supplementing a Resolution adopted on even date herewith authorizing the issuance of not to exceed \$22,000,000 Utility System Refunding Revenue Bonds, Series 2016A for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009 and financing the cost of improvements to the City's utility system, and paying costs related thereto, and authorizing the issuance of not to exceed \$5,000,000 Utility System Refunding Revenue Bonds, Series 2016B (taxable) for the purpose of refunding a portion of the outstanding City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2009, and paying costs related thereto, subject to the satisfaction of certain conditions contained herein and subject to the terms and conditions of a Bond Purchase Agreement; approving the form of the Bond Purchase Agreement, Preliminary Official Statement, Disclosure Dissemination Agent Agreement and Escrow Deposit Agreement; authorizing the execution and delivery of a Bond Purchase Agreement, Final Official Statement, Disclosure Dissemination Agent Agreement and Escrow Deposit Agreement; appointing a Paying Agent, Registrar and Escrow Agent; delegating to the Mayor and City Manager to award the sale of the bonds to the Underwriter named herein pursuant to a negotiated sale and subject to the conditions and terms set forth herein and in the Bond Purchase Agreement; authorizing other required actions; and providing for severability and an effective date. - ***Financial Services Director Mark Mason, Larson Consulting Services, LLC President Jeffrey T. Larson and Bond Counsel Dwayne Draper***

Commission District(s):

Citywide

**ATTACHMENTS:**

Description	Upload Date	Type
▣ TR# 12860 Utility System Refunding Revenue Bond Memo	9/30/2016	Cover Memo
▣ TR# 12860 Utility System Refunding Revenue Reso	10/3/2016	Resolution

**CITY OF TAMARAC**  
**INTEROFFICE MEMORANDUM**  
**FINANCE DEPARTMENT**  
**ADMINISTRATION DIVISION**

**TO: Michael C. Cernech**  
**City Manager**

**DATE: September 30, 2016**

**FROM: Mark C. Mason,**   
**Director of Financial Services**

**RE: TR# 12860 Utility Refunding**  
**Revenue Bonds, Series**  
**2016A and Series 2016B**  
**(Taxable)**

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**Recommendation:**

I recommend that TR # 12860 Utility Refunding Revenue Bonds, Series 2016A and Series 2016B (Taxable) be placed on the October 11, 2016 Commission Meeting for approval.

**Issue:**

Temporary Resolution # 12860 Utility Refunding Revenue Bonds, Series 2016A and Series 2016B (Taxable) for the purpose of refunding the Utility Refunding Revenue Bonds, Series 2009 and financing the costs of new improvements and paying the costs thereto.

**Background:**

On July 22, 2009, the City Commission approved Resolution R-2009-98 which were issued to advance refund a portion of the 2004 Refunded Bonds, refund all of the Refunded 2006 Note, and provided for financing the water and sewer capital projects.

**Refunding Bonds**

In 2016, through an ongoing review of the City's outstanding utility bonds, existing conditions indicated that the 2009 bonds could be partially or fully refunded to capture savings over the life of the bonds. Staff, in conjunction with the City's Financial Advisor, reviewed various approaches and alternative structures of the debt to maximize the potential savings on the refunding while offsetting near term impacts. As a result of the review and the potential savings as well as the inclusion of the new money piece, the City:

Issued an RFP for underwriters August 2016

Received seven responses

In conjunction with the City's Financial Advisor, we thoroughly reviewed the proposals and selected RBC Capital Markets as the Senior Managing

Underwriter and Stifel, Nicolaus & Company, Incorporated and Raymond James as a Co-Managers

Also, US Bank has been awarded as the Escrow, Paying Agent and Registrar following a mini-RFP through the City's Financial Advisor.

In addition, the City engaged Bryant Miller Olive as Bond Counsel and Akerman LLP as Disclosure Counsel

Based on the analysis and working with Bond Counsel the City looks to complete through a 2016A and 2016B (Taxable) Series. The Series 2016A issue includes that portion of the 2009 bonds eligible to be refunded with tax exempt bonds as well as the entire amount of new money or approximately \$22,000,000. The Series 2016B (Taxable) bonds represents approximately \$5,000,000 of the 2009 bonds that are not eligible to be refunded with tax-exempt bonds and will be refunded with taxable bonds.

The estimated net present value savings for both Series is estimated at 9.716% which is subject to change as we get closer to the bond pricing.

### **New Money**

In February 2013, City staff made a presentation to the City Commission regarding Wastewater Main Rehabilitation aka the Inflow and Infiltration (I & I) Reduction Program as result of a Wastewater Master Plan prepared by Matthews Consulting in 2012. Following this presentation, the City began to move forward with the chosen option of investing 21 million over 20 years that would reduce wastewater flows by an estimated 2.5 mgd (million gallons per day). Essentially, the goal of the program was to line the old vitrified clay pipes and cast iron pipes, laterals and manholes, as necessary, as well as installing manhole lid insertions where necessary, i.e. prevention devices to keep stormwater from draining into the sanitary sewer system.

Over the course of the past four years, the City has invested \$9 million in the I & I program completing Lift Station Basis 16 that had an overall decrease in wastewater flows from 467,379 gpd (gallons per day) to 218,471 gpd, a net decrease of 53%. In addition, the City completed Lift Station Basin 18 reducing wastewater flows from 376,276 gpd to 280,013 gpd, a net decrease of 25.6%. The total reduction was 345,171, or 40.9%. In addition, the city has seen a decrease in annual costs to Broward County North Regional Wastewater Treatment Plant from a high in 2012 of \$5,663,076 to an estimated amount of \$4,873,065 in FY 2016, even with rate adjustments over that same period.

City staff looked at these results and felt that the City should invest \$11 million over the next two to three years increasing exponentially the estimated reduction of wastewater flows with the resultant annual savings over the next several years.

**Series 2016A and Series 2016B (Taxable) Bonds**

Since the bond resolutions adopted prior to the actual pricing of bonds and, more specifically when a refunding is involved delegation parameters are added to the resolution to determine the timing of entering the market for the greatest savings. Following are the delegation parameters to determine the timing for the sale of the bonds:

the par amount of the Series 2016A Bonds is not to exceed \$22,000,000 and the par amount of the Series 2016B (Taxable) Bonds is a not to exceed \$5,000,000

the final maturity of the Series 2016A Bonds is not later than October 1, 2046 and the final maturity of the Series 2016B (Taxable) Bonds is not later than October 1, 2039,

the underwriting discount is not greater than 0.50% of the original principal amount of the Bonds, and

the true interest cost rate on the Series 2016 A Bonds is not greater than 4.50%, the true interest cost rate on the Series 2016 B Bonds is not greater than 5.00%,

the net present value debt service savings relating to the refunding of the Refunded 2009 Bonds by the Series 2016A Bonds the net present value debt service savings of not less than 5.00% of the par amount of the Refunded Bonds and the Series 2016B Bonds shall not be less than 3.00% of the par amount of the Refunded 2009 Bonds.

As of September 28, 2016 the estimated net present value savings of both Series Bonds exceeded the target of 5% and 3%, respectively, or an estimated \$1.18 million.

The issues above include approximately \$240,000.

**Fiscal Impact:**

It is anticipated that the refunding will yield a savings over the life of the bonds of between \$1.5 and \$1.7 million with a net present value savings of approximately \$1.18 million at 9.716% based upon expectations of the current market environment.

C: Christine Cajuste, Controller

## CITY OF TAMARAC, FLORIDA

## RESOLUTION NO. R-2016-\_\_

A RESOLUTION SUPPLEMENTING A RESOLUTION ADOPTED ON EVEN DATE HERewith AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$22,000,000 UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2016A FOR THE PURPOSE OF REFUNDING A PORTION OF THE OUTSTANDING CITY OF TAMARAC, FLORIDA UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2009 AND FINANCING THE COST OF IMPROVEMENTS TO THE CITY'S UTILITY SYSTEM, AND PAYING COSTS RELATED THERETO, AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$5,000,000 UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2016B (TAXABLE) FOR THE PURPOSE OF REFUNDING A PORTION OF THE OUTSTANDING CITY OF TAMARAC, FLORIDA UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2009, AND PAYING COSTS RELATED THERETO, SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS CONTAINED HEREIN AND SUBJECT TO THE TERMS AND CONDITIONS OF A BOND PURCHASE AGREEMENT; APPROVING THE FORM OF THE BOND PURCHASE AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, DISCLOSURE DISSEMINATION AGENT AGREEMENT AND ESCROW DEPOSIT AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT, FINAL OFFICIAL STATEMENT, DISCLOSURE DISSEMINATION AGENT AGREEMENT AND ESCROW DEPOSIT AGREEMENT; APPOINTING A PAYING AGENT, REGISTRAR AND ESCROW AGENT; DELEGATING TO THE MAYOR AND CITY MANAGER TO AWARD THE SALE OF THE BONDS TO THE UNDERWRITER NAMED HEREIN PURSUANT TO A NEGOTIATED SALE AND SUBJECT TO THE CONDITIONS AND TERMS SET FORTH HEREIN AND IN THE BOND PURCHASE AGREEMENT; AUTHORIZING OTHER REQUIRED ACTIONS; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the City Commission (the "City Commission") of the City of Tamarac, Florida (the "Issuer") has, by resolution adopted on the date hereof (the "Master Resolution" and, as supplemented hereby, the "Resolution"), authorized the issuance of not to exceed \$22,000,000 City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2016A

(the "Series 2016A Bonds") and not to exceed \$5,000,000 City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2016B (Taxable) (the "Series 2016B Bonds", and together with the Series 2016A Bonds, the "Series 2016 Bonds"); and

WHEREAS, RBC Capital Markets LLC, on behalf of itself, Stifel, Nicholas & Company, Inc., and Raymond James & Associates, Inc. (collectively, the "Underwriter") has indicated that it is willing to enter into the hereinafter defined Bond Purchase Agreement with the Issuer pursuant to which the Underwriter will agree to purchase the Series 2016 Bonds; and

WHEREAS, due to the present volatility of the market for public obligations such as the Series 2016 Bonds, the need to access such market very quickly, the willingness of the Underwriter to purchase the Series 2016 Bonds at interest rates favorable to the Issuer, and the critical importance of timing of the sale of the Series 2016 Bonds, the Issuer has determined to sell the Series 2016 Bonds through a negotiated sale to the Underwriter, and it is hereby determined that it is in the best interest of the public and the Issuer to delegate to the Mayor and the City Manager the authority to fix the final details of the Series 2016 Bonds, based upon the advice of the Financial Advisor, and accept the offer of the Underwriter to purchase the Series 2016 Bonds at a negotiated sale pursuant to the terms of a Bond Purchase Agreement, the form of which is attached hereto as Exhibit A (the "Bond Purchase Agreement"), if certain conditions set forth in this resolution are satisfied; and

WHEREAS, prior to acceptance by the Issuer of the offer of the Underwriter to purchase the Series 2016 Bonds, the Underwriter will provide the Issuer with all applicable disclosure information required by Section 218.385, Florida Statutes, to be attached to, or otherwise included as part of, the Bond Purchase Agreement; and

WHEREAS, the Series 2016A Bonds are being issued to (i) refund a portion of the Refunded 2009 Bonds; (ii) finance cost of the 2016A Project; and (iii) pay the costs of issuance of the Series 2016A Bonds; and

WHEREAS, the Series 2016B Bonds are being issued to (i) refund a portion of the Refunded 2009 Bonds; and (ii) pay the costs of issuance of the Series 2016B Bonds; and

WHEREAS, the Issuer has determined it to be in its best interests and to serve a public purpose to provide in this resolution for the issuance of the Series 2016 Bonds for the purposes heretofore described, and this resolution shall constitute a Supplemental Resolution for purposes of the Master Resolution; and

WHEREAS, on parity with any Series 2009 Bonds not being refunded, the Series 2016 Bonds will be secured by a lien on the Pledged Revenues and, as of the date hereof, except as to the Series 2009 Bonds, the Pledged Revenues are not pledged or encumbered in any manner, and upon issuance of the Series 2016 Bonds, the lien of the holders of the Series 2016 Bonds and any Series 2009 Bonds not being refunded will be the senior lien on the Pledged Revenues; and

WHEREAS, in connection with the offering and sale of the Series 2016 Bonds, the Issuer desires to approve the distribution of the Preliminary Official Statement, a form of which is attached hereto as Exhibit C, and delegate to the Mayor, the City Manager or the Director of Financial Services the authority to deem the Preliminary Official Statement "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") and to execute and deliver a final Official Statement with respect to the Series 2016 Bonds (the "Official Statement"); and

WHEREAS, the Issuer desires to appoint U.S. Bank National Association, as a paying agent with respect to the Series 2016 Bonds and authorize the execution and delivery of a Registrar and Paying Agent Agreement (the "Registrar and Paying Agent Agreement"); and

WHEREAS, in connection with its continuing disclosure obligations under the Rule, the Issuer desires to approve the form of, and authorize the execution and delivery of, a Disclosure Dissemination Agent Agreement by and between the Issuer and Digital Assurance Certification, LLC, as disclosure dissemination agent, a form of which is attached hereto as Exhibit D (the "Disclosure Dissemination Agent Agreement"); and

WHEREAS, if the conditions in the Master Resolution do not become effective on the date of the issuance of the Series 2016 Bonds, in accordance with the conditions described in Section 40 of the Master Resolution, until all such conditions are met, for all purposes hereunder, "Master Resolution" shall mean the Original Resolution, which means that any amendments intended to be effected through the adoption of the Master Resolution and the corresponding amendment and restatement of the Original Resolution shall not be effective until such conditions are met; and

WHEREAS, "Original Resolution" means Resolution No. R-2009-96 adopted by the City Commission on July 22, 2009, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. R-2009-98 adopted by the City Commission on July 22, 2009;

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

SECTION 1. Authority for this Resolution. This resolution is adopted pursuant to the provisions of the Act.

SECTION 2. Definitions. All capitalized undefined terms shall have the meaning ascribed thereto in the Master Resolution. In addition, the following terms, unless the context otherwise requires, shall have the meanings specified in this Section. Words importing singular number shall include plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"Escrow Agent" means U.S. Bank National Association as the bank or trust company which shall execute the Escrow Deposit Agreement with the Issuer simultaneous with the issuance of the Series 2016 Bonds.

"Escrow Deposit Agreement" means that certain Escrow Deposit Agreement by and between the Issuer and the Escrow Agent, for the purpose of providing for the payment of the Refunded 2009 Bonds, which agreement shall be in substantially the form attached hereto as Exhibit B.

"Underwriter" shall mean RBC Capital Markets LLC, on behalf of itself, Stifel, Nicholas & Company, Inc., and Raymond James & Associates, Inc..

SECTION 3. Approval of Issuance of Series 2016 Bonds; Terms of Series 2016 Bonds; Authorization to Refund the Refunded 2009 Bonds and Finance the Costs of the 2016A Project. The Issuer hereby delegates to the Mayor and City Manager the authority to determine the final terms of the Series 2016 Bonds, based upon the advice of the Financial Advisor, including (i) the dated date, (ii) the principal amount and whether the Series 2016 Bonds shall be issued as Serial Bonds and/or Term Bonds, (iii) the maturity dates and amounts, (iv) the interest rates, prices and yields, (v) the optional redemption features, if any, (vi) the Amortization Installments and other mandatory redemption features, if any, (vii) the sale date and the delivery date, (viii) all other details of the Series 2016 Bonds, and to take such further action as shall be required for carrying out the purposes of this resolution all with respect to the Series 2016 Bonds. All covenants contained in the Master Resolution with respect to the Bonds shall be applicable to the Series 2016 Bonds.

SECTION 4. Award of Sale of the Series 2016 Bonds; Execution of Bond Purchase Agreement. Due to the indication by the Underwriter of its willingness to purchase the Series 2016 Bonds by negotiated sale at interest rates favorable to the Issuer, the present volatility of the market for public obligations such as the Series 2016 Bonds and the critical importance of timing of the sale of the Series 2016 Bonds, the Issuer hereby approves the negotiated sale of the Series 2016 Bonds to the Underwriter and delegates to the Mayor and City Manager the authority to accept the offer of the Underwriter to purchase the Series 2016 Bonds and to execute and deliver, on behalf of the Issuer, the Bond Purchase Agreement, in the form attached hereto as Exhibit A, which form is hereby approved; provided, however, that the Mayor and City Manager shall not have the authority to execute and deliver the Bond Purchase Agreement, unless the Mayor and City Manager shall have received from the Underwriter (i) all applicable disclosure information required by Section 218.385, Florida Statutes, and (ii) such other information as the Mayor and City Manager shall deem necessary, upon the advice of the Financial Advisor, which demonstrates to the Mayor and City Manager that (A) the aggregate principal amount of the Series 2016A Bonds is not in excess of \$22,000,000 and the aggregate principal amount of the Series 2016B Bonds is not in excess of \$5,000,000, (B) the final maturity of the Series 2016A Bonds shall not be later than October 1, 2046, and the final maturity of the Series 2016B Bonds shall not be later than October 1, 2039, (C) the underwriting discount is not



greater than 0.5% of the original principal amount of the Series 2016 Bonds, (D) the true interest cost rate on the Series 2016 A Bonds is not greater than 4.50%, the true interest cost rate on the Series 2016 B Bonds is not greater than 5.00%, and (E) the net present value debt service savings relating to the refunding of the Refunded 2009 Bonds by the Series 2016A Bonds and the Series 2016B Bonds shall not be less than 3.00% of the par amount of the Refunded 2009 Bonds.

All actions of the Mayor and City Manager taken pursuant to the authority contained in Sections 1 and 2 of this resolution shall be evidenced by the execution and delivery of the Bond Purchase Agreement, which shall be filed with the City Clerk. The execution and delivery of the Bond Purchase Agreement shall constitute complete evidence of the actions of the Mayor and City Manager and shall constitute the action of the Issuer. Subject to satisfaction of the conditions in this Section 2, the Mayor and City Manager is hereby authorized and directed to execute and deliver, the City Clerk is hereby authorized to attest under seal, and the City Attorney is hereby authorized to approve as to form, the Bond Purchase Agreement. The execution and delivery thereof in the manner described in the preceding sentence shall constitute complete approval of such Bond Purchase Agreement by the Issuer, including any changes to the form attached hereto as Exhibit A, and shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

SECTION 5. Authorization of Series 2016 Bonds. Subject and pursuant to the provisions hereof, obligations of the Issuer to be known as "Utility System Refunding Revenue Bonds, Series 2016A" are authorized to be issued in the aggregate principal amount of not to exceed \$22,000,000, subject to the provisions hereof, obligations of the Issuer to be known as "Utility System Refunding Revenue Bonds, Series 2016B (Taxable)" are authorized to be issued in the aggregate principal amount of not to exceed \$5,000,000, and subject to the provisions hereof.

SECTION 6. Book Entry System. The Issuer has previously executed a blanket letter of representation dated August 22, 1997 (the "Letter of Representation") with The Depository Trust Company ("DTC"). It is intended that the Series 2016 Bonds be registered so as to participate in a global book-entry system with DTC as set forth herein and in such Letter of Representation. The Series 2016 Bonds shall be initially issued in the form of a single fully registered Series 2016 Bond for each subseries and maturity. Upon initial issuance, the ownership of such Series 2016 Bonds shall be registered by the Registrar and Paying Agent in the name of Cede & Co., as nominee for DTC. With respect to Series 2016 Bonds registered by the Registrar and Paying Agent in the name of Cede & Co., as nominee of DTC, the Issuer and the Registrar and Paying Agent shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Series 2016 Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "Depository Participant") or to any person on behalf of whom such a Depository Participant holds an interest in the Series 2016 Bonds (each such person being herein referred to as an "Indirect Participant"). Without limiting the immediately preceding sentence, the Issuer and the Registrar and Paying Agent shall have no responsibility or obligation with respect to (a) the

accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to the ownership interest in the Series 2016 Bonds, (b) the delivery to any Depository Participant or any Indirect Participant or any other person, other than a registered owner of a Series 2016 Bond as shown in the bond register, of any notice with respect to the Series 2016 Bonds, including any notice of redemption, if applicable, or (c) the payment to any Depository Participant or Indirect Participant or any other person, other than a registered owner of a Series 2016 Bond as shown in the bond register, of any amount with respect to principal of, premium, if any, or interest on, if applicable, the Series 2016 Bonds. No person other than a registered owner of a Series 2016 Bond as shown in the bond register shall receive a Series 2016 Bond certificate with respect to any Series 2016 Bond. Upon delivery by DTC to the Registrar and Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions hereof with respect to the payment of interest by the mailing of checks or drafts to the registered owners of Series 2016 Bonds appearing as registered owners in the registration books maintained by the Registrar and Paying Agent at the close of business on a regular record date, the name "Cede & Co." in this resolution shall refer to such new nominee of DTC.

In the event that (a) the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Letter of Representation, (b) the agreement among the Issuer, the Registrar and Paying Agent and DTC evidenced by the Letter of Representation shall be terminated for any reason or (c) the Issuer determines that it is in the best interests of the beneficial owners of the Series 2016 Bonds that they be able to obtain certificated Series 2016 Bonds, the Issuer shall notify DTC of the availability through DTC of Series 2016 Bond certificates and the Series 2016 Bonds shall no longer be restricted to being registered in the bond register in the name of Cede & Co., as nominee of DTC, but only in accordance with the Letter of Representation. At that time, the Issuer may determine that the Series 2016 Bonds shall be registered in the name of and deposited with a successor depository operating a universal book-entry system, as may be acceptable to the Issuer, or such depository's agent or designee, and if the Issuer does not select such alternate universal book-entry system, then the Series 2016 Bonds may be registered in whatever name or names registered owners of Series 2016 Bonds transferring or changing Series 2016 Bonds designate, in accordance with the provisions hereof. Notwithstanding any other provision of the Resolution to the contrary, so long as any Series 2016 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on, if applicable, such Series 2016 Bond and all notices with respect to such Series 2016 Bond shall be made and given, respectively, in the manner provided in the Letter of Representation.

As long as any Series 2016 Bonds are outstanding in book-entry form, the provisions of the Resolution inconsistent with such system of book-entry registration shall not be applicable to such Series 2016 Bonds, and the Issuer covenants to cause adequate records to be kept with respect to the ownership of any Series 2016 Bonds issued in book-entry form or the beneficial ownership of Series 2016 Bonds issued in the name of a nominee.

SECTION 7. Application of Series 2016 Bond Proceeds.

A. The proceeds, including any accrued interest received from the sale of the Series 2016A Bonds, shall be applied by the Issuer as follows:

1. Accrued interest, if any, shall be deposited in the Interest Account in the Bond Service Fund, and shall be used only for the purpose of paying interest becoming due on the Series 2016A Bonds.

2. To the extent not reimbursed therefor by the Underwriter of the Series 2016A Bonds, the Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Series 2016A Bonds.

3. Subject to the execution and delivery of the Series 2016A Bonds to refund a portion of the Refunded 2009 Bonds, a sum which, together with other legally available funds of the Issuer, proceeds of the Series 2016B Bonds, and investment earnings thereon, is equal to the principal of and interest and redemption premiums, if any, on the Refunded 2009 Bonds when due in accordance with the schedules to be attached to the Escrow Deposit Agreement to pay principal and interest on such Refunded 2009 Bonds and to pay applicable call premiums and any costs with respect thereto.

4. The remaining proceeds of the Series 2016A Bonds shall be deposited to the Series 2016A Project Account and shall be used to pay Project Costs relating to the 2016A Project. The Issuer agrees and covenants to commence and proceed with due diligence to complete the construction, erection and acquisition of the 2016A Project.

B. The proceeds, including any accrued interest received from the sale of any or all of the Series 2016B Bonds, shall be applied by the Issuer as follows:

1. Accrued interest, if any, shall be deposited in the Interest Account in the Bond Service Fund, and shall be used only for the purpose of paying interest becoming due on the Series 2016B Bonds.

2. To the extent not reimbursed therefor by the Underwriter of the Series 2016B Bonds, the Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Series 2016B Bonds.

3. Subject to the execution and delivery of the Series 2016B Bonds to refund a portion of the Refunded 2009 Bonds, a sum which, together with other legally available funds of the Issuer, proceeds of the Series 2016A Bonds, and investment earnings thereon, is equal to the principal of and interest and redemption premiums, if any, on the Refunded 2009 Bonds when due in accordance with the schedules to be attached to the Escrow Deposit Agreement to pay principal and interest on such

Refunded 2009 Bonds and to pay applicable call premiums and any costs with respect thereto.

SECTION 8. Appointment of Escrow Agent; Execution of Escrow Deposit Agreement; Redemption of Refunded 2009 Bonds; Transfer of Funds; Bidding Agent Services.

U.S. Bank National Association is hereby appointed to serve as Escrow Agent in connection with the refunding of the Refunded 2009 Bonds.

The Issuer hereby approves the Escrow Deposit Agreement as set forth in the form attached hereto as Exhibit B. The Escrow Deposit Agreement shall be executed in the name of the Issuer by the Mayor and the City Manager, such signatures to be attested to by the City Clerk, the official seal of the Issuer to be imprinted thereon, and shall be approved as to form by the City Attorney, with such additional changes and insertions therein as are subsequently approved, and such execution and delivery shall be conclusive evidence of the approval thereof by such officers. The Issuer hereby also approves GNP Services, CPA, P.A. to serve as verification agent in connection with the refunding of the Refunded 2009 Bonds.

The specific maturities (which could be all maturities) which constitute Refunded 2009 Bonds shall be specifically designated pursuant to the Escrow Deposit Agreement.

Subject to the execution and delivery of the Series 2016 Bonds to refund the Refunded 2009 Bonds, there is hereby authorized a deposit of proceeds of the Series 2016 Bonds which, together with other legally available funds of the Issuer and investment earnings thereon, is equal to the principal of and interest and redemption premiums, if any, the Refunded 2009 Bonds when due in accordance with the schedules to be attached to the Escrow Deposit Agreement to pay principal and interest on the Refunded 2009 Bonds and to pay applicable call premiums and any costs with respect thereto.

Subject to the execution and delivery of the Series 2016 Bonds for the purpose of refunding the Refunded 2009 Bonds, the Issuer hereby irrevocably calls the callable Refunded 2009 Bonds for early redemption on October 1, 2019, or such other date as determined by the Mayor and the City Manager in the Escrow Deposit Agreement, at a redemption price of 100% of the principal amount of such callable Refunded 2009 Bonds to be redeemed, plus accrued interest thereon to the redemption date. At least thirty (30) days prior to the date fixed for redemption, the Issuer hereby directs TD Bank, National Association, in its capacity as Paying Agent and Registrar for the Refunded 2009 Bonds (the "2009 Paying Agent"), to mail by first class mail, postage prepaid a notice of the redemption of the callable Refunded 2009 Bonds to each holder of Refunded 2009 Bonds to be redeemed at the address of such holder shown on the registration books maintained by the 2009 Paying Agent or at such other address as shall be furnished in writing by such holder to the 2009 Paying Agent in accordance with the requirements of Section 14 of the Original Resolution in the form to be prepared by Bond Counsel. Furthermore, upon issuance of the Series 2016 Bonds for the purposes of refunding

the Refunded 2009 Bonds, the Issuer hereby directs the 2009 Paying Agent to mail a notice of defeasance to each holder of the Refunded 2009 Bonds in the form to be prepared by Bond Counsel.

On the date of issuance of the Series 2016 Bonds, the Issuer may transfer moneys on deposit in the Principal Account and Interest Account created pursuant to the Original Resolution which were being held for the benefit of the Refunded 2009 Bonds to the Escrow Agent to be held on behalf of the Issuer and to be used pursuant to the terms of the Escrow Deposit Agreement.

The Issuer hereby designates Larson Consulting Services, LLC and RBC Capital Markets LLC for the sole purpose of causing the subscription for the State and Local Government Securities (SLGS) and/or bidding Acquired Obligations, to be purchased and deposited in the Advance Refundable Escrow Account and Non-Advance Refundable Escrow Account (as such terms are defined in the Escrow Deposit Agreement) pursuant to the Escrow Deposit Agreement, and if bidding is undertaken, to pay Larson Consulting Services, LLC and RBC Capital Markets LLC the agreed upon bidding fees.

SECTION 9. 2016 Subaccount in the Reserve Fund. The Issuer hereby establishes a 2016 Subaccount in the Reserve Fund to initially secure the Series 2016 Bonds. The Issuer hereby determines that the 2016 Subaccount in the Reserve Fund shall secure the Series 2016 Bonds and that such 2016 Subaccount in the Reserve Fund will be funded at the Reserve Requirement applicable to the Series 2016 Bonds as of the date of issuance of the Series 2016 Bonds.

"Reserve Requirement" with respect to the 2016 Subaccount in the Reserve Fund shall equal zero dollars (\$0).

SECTION 10. Approval of Distribution of Preliminary Official Statement and Authorization of Final Official Statement. The preparation and distribution of the Preliminary Official Statement relating to the Series 2016 Bonds, in the form attached hereto as Exhibit C, is hereby approved and authorized. The Mayor, the City Manager or the Director of Financial Services are hereby authorized to execute and deliver a certificate of the Issuer which deems such Preliminary Official Statement "final" within the contemplation of the Rule. Such Preliminary Official Statement is hereby authorized to be used and distributed in connection with the sale and marketing of the Series 2016 Bonds. The distribution of the final Official Statement relating to the Series 2016 Bonds is hereby authorized, and the execution of such Official Statement by the Mayor, the City Manager and the Director of Financial Services is hereby authorized, which execution and delivery shall constitute complete evidence of the approval of such final Official Statement by the Issuer.

SECTION 11. Appointment of Registrar and Paying Agent; Authorization of Execution and Delivery of Registrar and Paying Agent Agreement. U.S. Bank National Association is

hereby appointed to serve as Registrar and Paying Agent with respect to the Series 2016 Bonds. The Registrar and Paying Agent shall perform such duties as are more fully described in the Resolution and an agreement to be entered into with the Issuer in connection with the Series 2016 Bonds.

The Registrar and Paying Agent shall fulfill such functions with respect to Registrar and Paying Agent Agreement until a qualified successor shall have been designated by the Issuer and accepts such duties, such designation to be subject to written notice to the Registrar and Paying Agent, or until the Series 2016 Bonds have been paid in full pursuant to the Resolution.

The Registrar and Paying Agent Agreement shall be executed in the name of the Issuer by the Mayor and the City Manager, such signatures to be attested to by the City Clerk, the official seal of the Issuer to be imprinted thereon, and shall be approved as to form by the City Attorney, with such additional changes and insertions therein as are subsequently approved, and such execution and delivery shall be conclusive evidence of the approval thereof by such officers.

SECTION 12. Continuing Disclosure. The Issuer hereby covenants and agrees that, in order to assist the Underwriter in complying with the continuing disclosure requirements of the Rule with respect to the Series 2016 Bonds, it will comply with and carry out all of the provisions of the Disclosure Dissemination Agent Agreement to be executed by the Issuer prior to the time the Issuer delivers the Series 2016 Bonds to the Underwriter, as may be amended from time to time in accordance with the terms thereof. The form of the Disclosure Dissemination Agent Agreement, attached hereto as Exhibit D is hereby approved and ratified, all of the provisions of which, when executed and delivered by the Issuer as authorized herein shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein. Notwithstanding any other provision of the Resolution, failure of the Issuer to comply with such Disclosure Dissemination Agent Agreement shall not be considered an event of default under the Resolution. However, the Disclosure Dissemination Agent Agreement shall be enforceable by the Series 2016 Bondholders in the event that the Issuer fails to cure a breach thereunder within a reasonable time after written notice from a 2016 Bondholder to the Issuer that a breach exists. Any rights of the Series 2016 Bondholders to enforce the provisions of this covenant shall be on behalf of all Series 2016 Bondholders and shall be limited to a right to obtain specific performance of the Issuer's obligations thereunder.

The Disclosure Dissemination Agent Agreement shall be executed in the name of the Issuer by the Mayor and City Manager, attested to by the City Clerk under seal, and shall be approved as to form by the City Attorney, with such additional changes and insertions therein as are subsequently approved, and such execution and delivery shall be conclusive evidence of the approval thereof by such officers.

SECTION 13. Prior Resolutions. All prior resolutions of the Issuer inconsistent with the provisions of the Resolution are hereby amended and supplemented to conform with the

provisions herein contained and, except as may otherwise amended and supplemented hereby, the Resolution shall remain in full force and effect.

SECTION 14. No Personal Liability. Neither the members of the City Commission nor any person executing the Series 2016 Bond shall be personally liable therefor or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 15. General Authority. The Mayor, the City Manager, the Director of Financial Services, the City Clerk, the City Attorney and any other proper officials of the Issuer are hereby authorized to perform all acts and things required of them by this resolution, the Master Resolution, the Escrow Deposit Agreement, the Series 2016 Bonds, or any other agreement or contract relating to the Series 2016 Bonds, or that may otherwise be desirable or consistent with accomplishing the full, punctual and complete performance of all the terms, covenants and agreements contained in any of the foregoing and each member, employee, attorney and officer of the Issuer is hereby authorized and directed to execute and deliver all documents which shall be required by Bond Counsel to effectuate the sale of the Series 2016 Bonds to said Underwriter.

SECTION 16. Severability and 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, but 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 the other provisions hereof or of the Series 2016 Bonds.

SECTION 17. Master Resolution to Continue in Force. The Master Resolution and all the terms and provisions thereof, are and shall remain in full force and effect.

SECTION 18. Effective Date. This Resolution shall become effective upon such time as its adoption.

[Remainder of page intentionally left blank]

PASSED AND ADOPTED the 11<sup>th</sup> day of October, 2016.

CITY OF TAMARAC, FLORIDA

---

Harry Dressler, Mayor

ATTEST:

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Patricia A. Teufel, CMC  
City Clerk

I HEREBY CERTIFY that I have  
approved this Resolution as to form

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Samuel S. Goren  
City Attorney



**EXHIBIT A**

**Form of Bond Purchase Agreement**

**EXHIBIT B**

**Form of Escrow Deposit Agreement**

THIS ESCROW DEPOSIT AGREEMENT, dated as of \_\_\_\_\_, 2016, by and between the CITY OF TAMARAC, FLORIDA (the "Issuer"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States of America, as Escrow Agent, and its successors and assigns (the "Escrow Agent");

**WITNESSETH:**

WHEREAS, the Issuer previously issued its Utility System Refunding Revenue Bonds, Series 2009 (the "Series 2009 Bonds"); and

WHEREAS, the Issuer now desires to refund the Series 2009 Bonds which mature on and after October 1, 2017 (the "Refunded Bonds"); and

WHEREAS, the portion of the Refunded Bonds which can be advance refunded with tax-exempt refunding bonds under the Internal Revenue Code of 1986, as amended (the "Code") is referred to herein as the "Advance Refundable Refunded Bonds"; and

WHEREAS, the portion of the Refunded Bonds which cannot be advance refunded with tax-exempt refunding bonds pursuant to the Code is referred to herein as the "Non-Advance Refundable Refunded Bonds"; and

WHEREAS, the execution of this Escrow Deposit Agreement and full performance of the provisions hereof shall defease and discharge the Issuer's obligations relating to the Refunded Bonds;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Issuer and the Escrow Agent agree as follows:

SECTION 1. Definitions. As used herein, the following terms mean:

(a) "Acquired Obligations" shall have the meaning ascribed thereto in the Refunded Bond Resolution.

(b) "Advance Refundable Escrow Account" shall mean the account hereby created and entitled Advance Refundable Escrow Account established and held by the Escrow Agent pursuant to this Agreement in which cash and investments will be held for payment of the principal, interest, and redemption premium, if any, on the Advance Refundable Refunded Bonds.

- (c) "Advance Refundable Refunded Bonds" shall have the meaning ascribed above.
- (d) "Agreement" shall mean this Escrow Deposit Agreement.
- (e) "Bond Counsel" shall mean Bryant Miller Olive P.A., or any other law firm nationally-recognized in the area of public finance.
- (f) "Bond Resolution" shall mean the Refunded Bond Resolution, as amended and restated by No. R-2016-\_\_\_\_ adopted by the City Commission on October 11, 2016, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. R-2016-\_\_\_\_ adopted by the City Commission on October 11, 2016.
- (g) "Bonds" shall mean, collectively, Series 2016A Bonds and Series 2016B Bonds.
- (h) "Issuer" shall mean the City of Tamarac, Florida, and its successors and assigns.
- (i) "Non-Advance Refundable Escrow Account" shall mean the account hereby created and entitled Non-Advance Refundable Escrow Account established and held by the Escrow Agent pursuant to this Agreement in which cash and investments will be held for payment of the principal, interest, and redemption premium, if any, on the Non-Advance Refundable Refunded Bonds.
- (j) "Non-Advance Refundable Refunded Bonds" shall have the meaning ascribed above.
- (k) "Refunded Bonds" shall have the meaning ascribed above.
- (l) "Refunded Bond Resolution" shall mean Resolution No. R-2009-96 adopted by the City Commission on July 22, 2009, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. R-2009-98 adopted by the City Commission on July 22, 2009.
- (m) "Series 2016A Bonds" shall mean the \$\_\_\_\_\_ City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2016A, issued under the Bond Resolution.
- (n) "Series 2016B Bonds" shall mean the \$\_\_\_\_\_ City of Tamarac, Florida Utility System Refunding Revenue Bonds, Series 2016B (Taxable), issued under the Bond Resolution.
- (o) "Total Debt Service for the Advance Refundable Refunded Bonds" shall mean the sum of the principal of, redemption premium, if any, and interest remaining unpaid with respect to the Advance Refundable Refunded Bonds in accordance with Schedule A attached

hereto assuming the callable Advance Refundable Refunded Bonds are called for early redemption on October 1, 2019.

(p) "Total Debt Service for the Non-Advance Refundable Refunded Bonds" shall mean the sum of the principal of, redemption premium, if any, and interest remaining unpaid with respect to the Non-Advance Refundable Refunded Bonds in accordance with Schedule A attached hereto assuming the callable Non-Advance Refundable Refunded Bonds are called for early redemption on October 1, 2019.

## SECTION 2. Deposit of Funds.

The Issuer hereby deposits \$\_\_\_\_\_ with the Escrow Agent for deposit into the Advance Refundable Escrow Account, in immediately available funds, which funds the Escrow Agent acknowledges receipt of, to be held in irrevocable escrow by the Escrow Agent separate and apart from other funds of the Escrow Agent and applied solely as provided in this Agreement. An amount equal to \$\_\_\_\_\_ of such funds are being derived from proceeds of the Series 2016A Bonds. An amount equal to \$\_\_\_\_\_ of such funds are being derived from the Bond Service Fund (as such terms are defined in the Refunded Bond Resolution). The Issuer represents that the principal and interest on the Acquired Obligations and the cash deposited to the Advance Refundable Escrow Account (i) are at least equal to the Total Debt Service for the Advance Refundable Refunded Bonds as of the date of such deposit, and (ii) are sufficient to pay principal, interest and redemption premium on the Advance Refundable Refunded Bonds as they become due and payable in accordance with Schedule A attached hereto.

The Issuer hereby deposits \$\_\_\_\_\_ with the Escrow Agent for deposit into the Non-Advance Refundable Escrow Account, in immediately available funds, which funds the Escrow Agent acknowledges receipt of, to be held in irrevocable escrow by the Escrow Agent separate and apart from other funds of the Escrow Agent and applied solely as provided in this Agreement. An amount equal to \$\_\_\_\_\_ of such funds are being derived from proceeds of the Series 2016B Bonds. An amount equal to \$\_\_\_\_\_ of such funds are being derived from the Bond Service Fund (as such terms are defined in the Refunded Bond Resolution). The Issuer represents that the principal and interest on the Acquired Obligations and the cash deposited to the Non-Advance Refundable Escrow Account (i) are at least equal to the Total Debt Service for the Non-Advance Refundable Refunded Bonds as of the date of such deposit, and (ii) are sufficient to pay principal, interest and redemption premium on the Non-Advance Refundable Refunded Bonds as they become due and payable in accordance with Schedule A attached hereto.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in the first paragraph of Section 2 and agrees:

(a) to hold the funds and investments purchased pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Advance Refundable Refunded Bonds;

(b) to immediately invest \$\_\_\_\_\_ of such funds derived from the proceeds of the Series 2016A Bonds, and other legally available funds of the Issuer, in the Acquired Obligations set forth on Schedule C attached hereto and to hold such securities and \$\_\_\_\_\_ of such funds in cash in accordance with the terms of this Agreement;

(c) in the event the securities described on Schedule C cannot be purchased, substitute securities may be purchased with the consent of the Issuer but only upon receipt of verification from an independent certified public accountant that the Acquired Obligations, the interest to be earned thereon, and the cash deposited in the Advance Refundable Escrow Account will not be less than the Total Debt Service for the Advance Refundable Refunded Bonds, and only upon receipt of an opinion of Bond Counsel that such securities constitute Acquired Obligations for purposes of this Agreement; and

(d) there will be no investment or reinvestment of funds except as set forth in this Section 3 and except as set forth in Section 5.

The Escrow Agent acknowledges receipt of the sum described in the second paragraph of Section 2 and agrees:

(a) to hold the funds and investments purchased pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Non-Advance Refundable Refunded Bonds;

(b) to immediately invest \$\_\_\_\_\_ of such funds derived from the proceeds of the Series 2016B Bonds, and other legally available funds of the Issuer, in the Acquired Obligations set forth on Schedule C attached hereto and to hold such securities and \$\_\_\_\_\_ of such funds in cash in accordance with the terms of this Agreement;

(c) in the event the securities described on Schedule C cannot be purchased, substitute securities may be purchased with the consent of the Issuer but only upon receipt of verification from an independent certified public accountant that the Acquired Obligations, the interest to be earned thereon, and the cash deposited in the Non-Advance Refundable Escrow Account will not be less than the Total Debt Service for the Non-Advance Refundable Refunded Bonds, and only upon receipt of an opinion of Bond Counsel that such securities constitute Acquired Obligations for purposes of this Agreement; and

(d) there will be no investment or reinvestment of funds except as set forth in this Section 3 and except as set forth in Section 5.

#### SECTION 4. Payment of Bond and Expenses.

(a) Refunded Bonds. On the dates and in the amounts set forth on Schedule A, the Escrow Agent shall transfer to TD Bank, National Association, as the Paying Agent for the Advance Refundable Refunded Bonds (the "Paying Agent"), in immediately available funds solely from amounts available in the Advance Refundable Escrow Account, a sum sufficient to pay the principal of, interest on and redemption premium, if applicable, on the Advance Refundable Refunded Bonds, as shown on Schedule A. On the dates and in the amounts set forth on Schedule A, the Escrow Agent shall transfer to TD Bank, National Association, as the Paying Agent for the Non-Advance Refundable Refunded Bonds (the "Paying Agent"), in immediately available funds solely from amounts available in the Non-Advance Refundable Escrow Account, a sum sufficient to pay the principal of, interest on and redemption premium, if applicable, on the Non-Advance Refundable Refunded Bonds, as shown on Schedule A.

(b) Expenses. The Issuer shall pay the fees and expenses of the Escrow Agent as set forth on Schedule B attached hereto.

(c) Surplus. After making the payments from the Advance Refundable Escrow Account described in Subsections 4(a) and (b) above, the Escrow Agent shall retain in the Advance Refundable Escrow Account any remaining cash in the Advance Refundable Escrow Account in excess of the Total Debt Service for the Advance Refundable Refunded Bonds until the termination of this Agreement pursuant to the terms of Section 13 hereof, and shall then pay any remaining funds to the Issuer. After making the payments from the Non-Advance Refundable Escrow Account described in Subsections 4(a) and (b) above, the Escrow Agent shall retain in the Non-Advance Refundable Escrow Account any remaining cash in the Non-Advance Refundable Escrow Account in excess of the Total Debt Service for the Non-Advance Refundable Refunded Bonds until the termination of this Agreement pursuant to the terms of Section 13 hereof, and shall then pay any remaining funds to the Issuer.

(d) Priority of Payments. The holders of the Advance Refundable Refunded Bonds shall have an express first priority security interest in the funds and Acquired Obligations in the Advance Refundable Escrow Account until such funds and Acquired Obligations are used and applied as provided in this Agreement. The holders of the Non-Advance Refundable Refunded Bonds shall have an express first priority security interest in the funds and Acquired Obligations in the Non-Advance Refundable Escrow Account until such funds and Acquired Obligations are used and applied as provided in this Agreement.

#### SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and in this Section 5, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Acquired Obligations held hereunder.

(b) At the written request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the Acquired Obligations acquired hereunder and shall substitute other Acquired Obligations and reinvest any excess receipts in Acquired Obligations. The Issuer will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Series 2016A Bonds to be included in the gross income of the holders thereof for purposes of Federal income taxation. The transactions may be effected only if (i) an independent certified public accountant selected by the Issuer shall certify or opine in writing to the Issuer and the Escrow Agent that Acquired Obligations, interest to be earned thereon, and cash remaining on hand after the transactions are completed will, assuming no reinvestment or any earnings, be not less than the Total Debt Service for the Advance Refundable Refunded Bonds and the Total Debt Service for the Non-Advance Refundable Refunded Bonds, and that reinvestment in such Acquired Obligations will not postpone the anticipated transfer of moneys from the Advance Refundable Escrow Account or the Non-Advance Refundable Escrow Account to the Paying Agent pursuant to Section 4(a) hereof, and (ii) the Escrow Agent shall receive an opinion from a nationally recognized bond counsel acceptable to the Issuer to the effect that the transactions, in and by themselves, will not cause interest on such Series 2016A Bonds or the Refunded Bonds to be included in the gross income of the holders thereof for purposes of Federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(c) above notwithstanding, cash in excess of the Total Debt Service for the Advance Refundable Refunded Bonds and the Total Debt Service for the Non-Advance Refundable Refunded Bonds caused by substitution of Acquired Obligations shall, as soon as practical, be paid to the Issuer. Notwithstanding any provision of this Agreement to the contrary, no forward purchase agreement relating to the future reinvestment of cash held hereunder shall be executed unless the following condition is met: to the extent either Moody's Investors Service, Inc., Fitch Ratings, and/or S&P Global Ratings Inc. have an outstanding rating on the Refunded Bonds, at least one of such rating agencies must give written confirmation that it will not lower or withdraw the rating as a result of the Issuer's execution of such forward purchase agreement. In the event of any inconsistency between the terms and conditions of such forward purchase agreement and this Agreement, the terms and conditions of this Agreement shall control.

SECTION 6. Redemption or Acceleration of Maturity. The Issuer will not accelerate the maturity of, or exercise any option to redeem before maturity, any Refunded Bonds, except as set forth on Schedule A attached hereto.

SECTION 7. Indemnity. To the extent permitted by law and without waiving sovereign immunity, the Issuer hereby assumes liability for, and hereby agrees to indemnify, protect, save and keep harmless, the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against at any time, the Escrow Agent (whether or not also indemnified against the

same by the Issuer or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Advance Refundable Escrow Account and the Non-Advance Refundable Escrow Account established hereunder, the acceptance of the funds and securities deposited therein, the purchase of the Acquired Obligations, the retention of the Acquired Obligations or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement. The Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Total Debt Service for the Advance Refundable Refunded Bonds and the Total Debt Service for the Non-Advance Refundable Refunded Bonds. Furthermore, the Escrow Agent shall not be liable for the accuracy of the calculation as to the sufficiency of moneys and the principal amount of Acquired Obligations and the earnings thereon to pay the Total Debt Service for the Advance Refundable Refunded Bonds and the Total Debt Service for the Non-Advance Refundable Refunded Bonds.

SECTION 8. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Advance Refundable Escrow Account and the Non-Advance Refundable Escrow Account, the acceptance of the funds deposited therein, the purchase of the Acquired Obligations, the retention of the Acquired Obligations or the proceeds thereof or for any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent or non-willful act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be responsible for its negligent or willful failure to comply with its duties required hereunder, and its negligent or willful acts, omissions or errors hereunder. The duties and obligations of the Escrow Agent may be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the Issuer, at the Issuer's expense, and in reliance upon the opinion of such counsel, shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer.

SECTION 9. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer, any rating agency then providing a rating on either the Refunded Bonds or the Bonds, and the Paying Agent for the Refunded Bonds not less than sixty (60) days before such



resignation shall take effect. Such resignation shall not take effect until the appointment of a new Escrow Agent hereunder.

SECTION 10. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than fifty-one percentum (51%) in aggregate principal amount of the Refunded Bonds then outstanding, such instruments to be filed with the Issuer, and notice in writing given by such holders to the original purchaser or purchasers of the Bonds and published by the Issuer once in a newspaper of general circulation in the territorial limits of the Issuer, and in a daily newspaper or financial journal of general circulation in the City of New York, New York, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent by any court of competent jurisdiction upon the application of the Issuer or the holders of not less than five percentum (5%) in aggregate principal amount of the Bonds then outstanding, or the holders of not less than five percentum (5%) in aggregate principal amount of the Refunded Bonds then outstanding.

(c) The Escrow Agent may not be removed until a successor Escrow Agent has been appointed in the manner set forth herein.

SECTION 11. Successor Escrow Agent.

(a) If, at any time hereafter, the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall immediately appoint an Escrow Agent to fill such vacancy and, upon such appointment, all assets held hereunder shall be transferred to such successor. The Issuer shall either (i) publish notice of any such appointment made by it once in each week for four (4) successive weeks in a newspaper of general circulation published in the territorial limits of the Issuer and in a daily newspaper or financial journal of general circulation in the City of New York, New York, or (ii) mail a notice of any such appointment made by it to the holders of the Refunded Bonds within thirty (30) days after such appointment.

(b) At any time within one year after such vacancy shall have occurred, the holders of a majority in principal amount of the Bonds then outstanding or a majority in principal

amount of the Refunded Bonds then outstanding, by an instrument or concurrent instruments in writing, executed by either group of such Bondholders and filed with the governing body of the Issuer, may appoint a successor Escrow Agent, which shall supersede any Escrow Agent theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Agent and to the Escrow Agent so appointed by such Bondholders. In the case of conflicting appointments made by such Bondholders under this paragraph, the first effective appointment made during the one year period shall govern.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section, the holder of any Refunded Bonds then outstanding, or any retiring Escrow Agent, may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

(d) Any corporation or association into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Escrow Agent hereunder and vested with all the trust, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any parties hereto, anything herein to the contrary notwithstanding, provided such successor shall have reported total capital and surplus in excess of \$15,000,000, provided that such successor Escrow Agent assumes in writing all the trust, duties and responsibilities of the Escrow Agent hereunder.

SECTION 12. Payment to Escrow Agent. The Escrow Agent hereby acknowledges that it has agreed to accept compensation under the Agreement pursuant to the terms of Schedule B attached hereto for services to be performed by the Escrow Agent pursuant to this Agreement. The Escrow Agent shall not be compensated from amounts on deposit in the Advance Refundable Escrow Account or the Non-Advance Refundable Escrow Account, and the Escrow Agent shall have no lien or claim against funds in the Advance Refundable Escrow Account or the Non-Advance Refundable Escrow Account, for payment of obligations due it under this Section.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Bonds have been paid and discharged in accordance with the proceedings authorizing the Refunded Bonds, except as provided in Section 8.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, notice of such event shall

be sent to the municipal bond insurer(s) for the Refunded Bonds, if any, as well as Moody's Investors Service, Inc., Fitch Ratings and S&P Global Ratings Inc. (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds), and while such covenant or agreements herein contained shall be null and void, they shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds and the Bonds and it shall not be repealed, revoked, altered or amended in whole or in part without the written consent of all holders of Refunded Bonds, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent, for the benefit of the holders of the Bonds and the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall, at its option, be entitled to request, at the Issuer's expense, and rely exclusively upon an opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to the Issuer with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section. Prior written notice of such amendments, together with proposed copies of such amendments, shall be provided to Moody's Investors Service, Inc., Fitch Ratings, and S&P Global Ratings Inc. (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds).

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

CITY OF TAMARAC, FLORIDA

(SEAL)

By:\_\_\_\_\_

Name: Harry Dressler

Title: Mayor

By:\_\_\_\_\_

Name: Michael C. Cernech

Title: City Manager

ATTESTED:

APPROVED AS TO FORM:

By:\_\_\_\_\_

Name: Patricia A. Teufel, CMC

Title: City Clerk

By:\_\_\_\_\_

Name: Samuel S. Goren

Title: City Attorney

[Signature page to Escrow Deposit Agreement between  
City of Tamarac, Florida and  
U.S. Bank National Association]

U.S. BANK NATIONAL ASSOCIATION, as  
Escrow Agent

By:\_\_\_\_\_

Name:\_\_\_\_\_

Title:\_\_\_\_\_

[Signature page to Escrow Deposit Agreement between  
City of Tamarac, Florida and  
U.S. Bank National Association]

SCHEDULE A

TOTAL DEBT SERVICE  
FOR THE ADVANCE REFUNDABLE REFUNDED BONDS

<u>Date</u>	<u>Principal</u>	Redemption <u>Premium</u>	<u>Interest</u>	Total Debt Service <u>Service</u>
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TOTAL DEBT SERVICE  
FOR THE NON-ADVANCE REFUNDABLE REFUNDED BONDS

<u>Date</u>	<u>Principal</u>	Redemption <u>Premium</u>	<u>Interest</u>	Total Debt Service <u>Service</u>
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SCHEDULE B

EXPENSES TO BE PAID TO ESCROW AGENT

\$\_\_\_\_ paid annually, in advance

## SCHEDULE C

SCHEDULE OF ACQUIRED OBLIGATIONS  
TO BE PURCHASED ON \_\_\_\_\_, 2016  
RE. AND DEPOSITED INTO ADVANCE REFUNDABLE ESCROW ACCOUNT

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Type</u>
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SCHEDULE OF ACQUIRED OBLIGATIONS  
TO BE PURCHASED ON \_\_\_\_\_, 2016  
RE. AND DEPOSITED INTO NON-ADVANCE REFUNDABLE ACCOUNT

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Type</u>
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**EXHIBIT C**

**Form of Preliminary Official Statement**

**EXHIBIT D**

**Form of Disclosure Dissemination Agent Agreement**



**Title - TR12853 - Execution of Agreement with AMPS, Inc. for the Raw Well Rehabs at the WTP Project**

Item No. 6 (f) on the Consent Agenda. (TR12853) A Resolution of the City Commission of the City of Tamarac, Florida, authorizing the appropriate City Officials to accept and execute a Purchase Order Agreement between the City of Tamarac and Aquifer Maintenance & Performance Systems, Inc. (AMPS, Inc.), utilizing pricing from an agreement obtained through a formal competitive process by Martin County Utilities, Contract RFB Number 2012-2540 for an amount not to exceed \$210,253.60 for the rehabilitation of eight (8) raw water wells at the Water Treatment Plant; a contingency of 10% or \$21,025.36 will be added to the project account for a total amount of \$231,278.96; authorizing the appropriate City Officials to administer the contract; providing for conflicts; providing for severability; and providing for an effective date. - ***Assistant Director of Utilities James Moore***

Commission District(s):

Citywide

**ATTACHMENTS:**

Description	Upload Date	Type
❑ TR12853 Memo	9/22/2016	Cover Memo
❑ TR12853 Resolution	10/5/2016	Resolution
❑ TR12853 Exhibit A	9/22/2016	Exhibit
❑ TR12853 Exhibit B	9/22/2016	Exhibit
❑ TR12853 Exhibit C	9/22/2016	Exhibit

**CITY OF TAMARAC**  
**INTEROFFICE MEMORANDUM**  
**PUBLIC SERVICES DEPARTMENT**

**TO: Michael C. Cernech, City Manager**

**DATE: September 13, 2016**

**THRU: Jack Strain, P.E., Public Services  
Director**



**FROM: James T. Moore, P.E., Assistant  
Director of Utilities**



**RE: TR #12853**

**Execution of Agreement with  
AMPS, Inc. – Water Treatment  
Plant Raw Well Rehabilitations**

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**Recommendation:**

I recommend that the City Commission execute an Agreement with Aquifer Maintenance & Performance Systems, Inc (AMPS, Inc.) for the FY 2017 rehabilitation of eight (8) raw water wells at the Water Treatment Plant, authorize and approve funding in the amount of \$210,253.60 utilizing pricing from an agreement obtained through a formal competitive solicitation process by Martin County Utilities (Contract RFB Number 2012-2540). A contingency of 10% or 21,025.36 will be added to the Project Account for a total project budget of \$231,278.96.

**Issue:**

Execution of a FY 2017 Agreement between the City of Tamarac and AMPS, Inc. for the rehabilitation of eight (8) raw water wells at the Water Treatment Plant is required to correct the deficiencies identified by the Broward County Health Department (BCHD) in the Sanitary Survey issued to the city on November 23, 2015. This project will convert the existing Deming Vertical pumps to Submersible pumps and raise the discharge piping above the 100-Year Flood levels.

**Background:**

The City of Tamarac Water Treatment Plant has 19 raw water wells and began the program of converting the raw water wells from vertical turbine pumps to submersible pumps in 2014. To date, four (4) raw water wells have been converted to submersible pumps. Submersible pumps are superior to line shaft pumps for the following reasons:

- Submersible pump motors are not on the surface and quiet to operate.
- Submersible pumps can be pulled and replaced by Tamarac Public Services Maintenance personnel at a significantly lower cost than work completed by outside well contractors on line shaft pumps.
- Submersible pumps are not subject to seal leaks since there are none.

Currently, \$60,000.00 was funded in FY 2016 and an additional amount of \$250,000.00 and \$350,000.00 has been budgeted in FY 2017 and FY 2018, respectively for this Well Upgrade Project, for a total amount of \$660,000.00.

AMPS, Inc. has provided the most competitive pricing currently in the marketplace. The Purchasing and Contracts Manager has determined that awarding a contract to AMPS, Inc. through the Martin County Utilities Contract, is in the best interest of the City in terms of time, expense and other marketplace factors per the requirements of Section 6-148(f) of the Tamarac Procurement Code which authorizes the City to utilize contracts awarded by other governmental entities.

The Public Services Department recommends approving the Agreement with AMPS, Inc, awarded by the Martin County Utilities Contract through their RFB Number 2012-2540 that has favorable pricing, terms and conditions, which was awarded on July 23, 2012. The Contract has since been extended until July 22, 2017. The Agreement provides for annual renewal options and AMPS, Inc. has agreed to maintain the same terms, conditions and unit pricing as the original agreement.

AMPS, Inc. is more than qualified to perform this highly specialized work and the company has satisfactorily upgraded four of our existing Raw Water Wells to submersible pumps in FY 2015 and 2016.

**Fiscal Impact:**

Funding in an amount of \$310,000.00 is currently available in the FY 2017 Utilities Capital Improvement Project #UT16I, Account #441-6020-533-63-20 for this contract.

Citywide Commission District

CITY OF TAMARAC, FLORIDA

RESOLUTION NO. R-2016-\_\_\_\_

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF TAMARAC, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO ACCEPT AND EXECUTE A PURCHASE ORDER AGREEMENT BETWEEN THE CITY OF TAMARAC AND AQUIFER MAINTENANCE & PERFORMANCE SYSTEMS, INC. (AMPS, INC.), UTILIZING PRICING FROM AN AGREEMENT OBTAINED THROUGH A FORMAL COMPETITIVE PROCESS BY MARTIN COUNTY UTILITIES, CONTRACT RFB NUMBER 2012-2540 FOR AN AMOUNT NOT TO EXCEED \$210,253.60 FOR THE REHABILITATION OF EIGHT (8) RAW WATER WELLS AT THE WATER TREATMENT PLANT; A CONTINGENCY OF 10% OR \$21,025.36 WILL BE ADDED TO THE PROJECT ACCOUNT FOR A TOTAL AMOUNT OF \$231,278.96; AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO ADMINISTER THE CONTRACT; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

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WHEREAS, the City of Tamarac owns, operates and maintains a Water Treatment Plant located at 7803 NW 61<sup>st</sup> Street; and

WHEREAS, the Water Treatment Plant has nineteen (19) raw water wells that pump raw water from the Biscayne Aquifer into the Water Plant Treatment Process; and

WHEREAS, the City of Tamarac began a program in 2014 to convert raw water wells from vertical turbine pumps to submersible pumps and has converted four (4) raw water wells to date; and

WHEREAS, the Broward County Health Department (BCHD) completed and issued a Sanitary Survey on November 23, 2015 which listed deficiencies relating to the raw water wells such as bad well pump base seals and wells not elevated above 100-year flood levels; and

WHEREAS, in response to the BCHD Sanitary Survey raw water well deficiencies, the City of Tamarac Public Services Department has committed to converting all Water Treatment Plant raw water pumps to submersible pumps by the end of FY 2018 with \$60,000, \$250,000, and \$350,000 budgeted in the CIP in FY 2016, FY 2017 and FY 2018, respectively; and

WHEREAS, the Water Treatment Plant will convert eight (8) raw water wells in FY 2017 and seven (7) in FY 2018 to complete the Raw Well Rehabilitation Program; and

WHEREAS, the Martin County Utilities, RFB Number 2012-2540 with AMPS, Inc., for Raw Water Well Rehabilitations has favorable pricing, terms, and conditions, which was awarded on July 23, 2012. The contract has been extended by Martin County Utilities until July 22, 2017 on behalf of its members (a copy of which is attached hereto as "Exhibit A"); and

WHEREAS, AMPS, Inc. agrees to allow the City of Tamarac to piggyback our existing contract with Martin County Utilities (Contract RFB Number 2012-2540) with the same terms, conditions, specifications and pricing (a copy of which is attached hereto as "Exhibit B"); and

WHEREAS, the vendor has agreed to honor the terms, conditions, and pricing of the Martin County Utilities contract with AMPS, Inc., and has prepared a project proposal in the amount of \$210,253.60 (a copy of which is attached hereto as "Exhibit C"); and

WHEREAS, the Director of Public Services and the Purchasing and Contracts Manager chose to utilize available contracts awarded by other governmental entities for Water Plant Raw Well Rehabilitations, as provided by City Code Section 6-148 (f), which states that the purchasing officer may utilize contracts with other governmental agencies; and

WHEREAS, the City Commission of the City of Tamarac has approved capital funding for the FY 2017 Water Plant Raw Water Rehabilitations as recommended by the Public Services Department; and

WHEREAS, the City Commission of the City of Tamarac, Florida deems it to be in the best interest of the citizens and residents of the City of Tamarac to accept and execute an Agreement with AMPS, Inc. utilizing the Martin County Utilities Contract RFB Number 2012-2540, in an amount not to exceed \$210,253.60.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF TAMARAC, FLORIDA, THAT:

SECTION 1: The foregoing "WHEREAS" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon adoption hereof. All exhibits attached hereto are incorporated herein and made a specific part hereof.



SECTION 2: The appropriate City Officials are hereby authorized to accept and execute a Purchase Order Agreement for the Water Plant Raw Well Rehabilitations with AMPS, Inc. utilizing the Martin County Utilities Contract RFB Number 2012-2540 not to exceed \$210,253.60 for project cost and a contingency of 10% or \$21,025.36 will be added to the project account for a project total of \$231,278.96 (a copy of which is attached hereto as "Exhibit C").

SECTION 3: The Director of Public Services is authorized to approve Work Tasks in accordance with the schedule of prices under said contract in an amount not to exceed \$210,253.60 for project cost and a contingency of 10% or \$21,025.36 will be added to the project account for a total of \$231,278.96.

SECTION 4: The City Manager, or his designee, is hereby authorized to approve and initiate Change Orders in amounts not to exceed \$65,000 per Section 6-147 of the City Code, and close the contract award, which includes but is not limited to making final payment and releasing bonds per Section 6-149 of the City Code, when the work has been successfully completed within the terms, conditions and pricing of the agreement.

SECTION 5: All Resolutions or parts of Resolutions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 6: If any clause, section, other part or application of this Resolution is held by any court of competent jurisdiction to be unconstitutional or invalid, in part or application, it shall not affect the validity of the remaining portions or applications of this Resolution.

SECTION 7: This Resolution shall become effective immediately upon its passage and adoption.

PASSED, ADOPTED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

---

HARRY DRESSLER  
MAYOR

ATTEST:

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PATRICIA A. TEUFEL, CMC  
CITY CLERK

I HEREBY CERTIFY that I have  
approved this RESOLUTION as  
to form.

---

SAMUEL S. GOREN  
CITY ATTORNEY



## RENEWAL TO AGREEMENT FOR GOODS AND SERVICES

**THIS RENEWAL** is made and entered into this 22nd day of July, 2016 by and between MARTIN COUNTY, a political subdivision of Florida ("COUNTY"), and AMPS, INC. (CONTRACTOR).

### WITNESSETH

**WHEREAS**, the COUNTY and CONTRACTOR entered into an Agreement for Goods and Services to provide Wellfield Maintenance & Rehab pursuant to Martin County Contract #RFB2012-2540 dated July 23, 2012, and;

**WHEREAS**, Section 3 of the Agreement provides for the option to renew for an additional year, and;

**WHEREAS**, the COUNTY and CONTRACTOR desire to exercise the option to renew that Agreement.

**NOW THEREFORE**, in consideration of the premises and the mutual benefits which all accrue to the parties hereto in carrying out the terms of this Agreement, it is mutually covenanted and agreed as follows:

1. The COUNTY exercises its option to renew this Agreement for one year pursuant to Section 3 of the Agreement.
2. The CONTRACTOR agrees to this renewal.
3. The Agreement is hereby renewed until July 22, 2017. Pricing and all remaining terms and conditions of the Agreement not specifically amended herein shall remain in full force and effect.
4. This Contract shall be effective beginning on the date first written above notwithstanding it or some of the Contract documents being signed on a different date.

**IN WITNESS WHEREOF**, the parties hereto have executed this renewal of this Agreement as of the date first set forth above.

**AMPS, INC.**

Signature

Printed Name

Title

**BOARD OF COUNTY COMMISSIONERS  
MARTIN COUNTY, FLORIDA**

Nicole Carey

Nicole Carey  
Purchasing Manager

**APPROVED AS TO FORM AND  
CORRECTNESS BY COUNTY ATTORNEY**



**AQUIFER MAINTENANCE & PERFORMANCE SYSTEMS, INC.**

7146 Haverhill Road N. • West Palm Beach, FL 33407 • 561-494-2844

August 16, 2016

City of Tamarac  
7525 NW 8<sup>th</sup> Avenue  
Tamarac, FL 33321  
Attn: Chet Jablonka

**Re: MARTIN COUNTY UTILITIES  
CONTRACT #RFB-2012-2540**

Aquifer Maintenance & Performance Systems, Inc. (AMPS, Inc.) agrees to allow the City of Tamarac to piggyback our existing contract with Martin County Utilities (contract RFB#2012-2540) with the same terms, conditions, specifications & pricing.

If you have any questions about the above information or if we may be of any further assistance please don't hesitate to call. Thank you.

Sincerely,  
*Jim Murray*  
Jim Murray  
President

**FOR YOUR TOTAL PUMP & WELL FIELD NEEDS**

# QUOTATION

"EXHIBIT C"

TR #12853



**AQUIFER MAINTENANCE & PERFORMANCE SYSTEMS, INC.**

7146 Haverhill Road N. • West Palm Beach, FL 33407 • 561-494-2844

September 20, 2016

City of Tamarac  
7525 N.W. 88<sup>th</sup> Avenue  
Tamarac, FL 33321  
Attn: Chet Jablonka

## Re: WELL REHABILITATIONS

AMPS, Inc. appreciates the opportunity to submit the following proposal to rehabilitate, convert pump & motor, elevate & replace the existing wellhead at 8 wells in your wellfield per our existing contract #RFB 2012-2540 with Martin County Utilities for your review:

### REHABILITATION, CONVERSION & ELEVATION:

1) Mobilize/demobilize crane & equipment to well	\$ 550.00
2) Rig up, pull pump, motor & equipment from well	950.00
3) Chemically treat well while brushing casing approximately 8-10 hours	800.00
4) Clean casing with brush	800.00
5) Perform well acidization	1,890.00
6) Alternate jetting & airlifting well approximately 25-30 hours	5,400.00
7) 1 - Gould's model 10RJLC-1	2,415.50
8) 1 - Franklin 25 HP sand fighter 6" motor	2,545.00
9) 4 - 6"x20' Certalok drop pipe with coupling assemblies (\$344.70/each)	1,378.80
10) 1 - 6" Certalok coupling assembly	49.10
11) 2 - 6" 304 stainless steel certalok adaptors (\$254/each)	508.00
12) 95'x#10/3 Flat jacketed submersible cable with ground (\$3.29/foot)	312.55
13) 4 - #10 Heavy wall splices (\$41.90/each)	167.60
14) 85'x3/16" 304 stainless steel safety cable with stainless clamps (\$2.09/foot)	177.65
15) Splice cable onto motor, assemble pump, motor & equipment	630.00
16) Reinstall pump, motor & equipment; install & tie in new wellhead	950.00
17) Perform final pump & well disinfection	525.00
18) 1 - 8" flanged pipe with 8" pipe stand & 8" flanged 45's to elevate wellhead	1,310.00
19) 1-12"x3' 304 Stainless steel spool piece	1,100.00
20) 1-12" 304 Stainless steel custom fabricated wellhead with gasket & bolt kits	3,300.00
21) Remove existing discharge line, weld on spool piece, install 45's, reset discharge Line & tie back in to existing approximately 10-12 hours	1,500.00

TOTAL PER WELL: \$ 27,259.20  
TOTAL FOR 6 WELLS: \$ 163,555.20

**FOR YOUR TOTAL PUMP & WELL FIELD NEEDS  
ABOVE QUOTATION GOOD FOR 30 DAYS.**

## REHABILITATION & CONVERSION:

1) Mobilize/demobilize crane & equipment to well	\$ 550.00
2) Rig up, pull pump, motor & equipment from well	950.00
3) Chemically treat well while brushing casing approximately 8-10 hours	800.00
4) Clean casing with brush	800.00
5) Perform well acidization	1,890.00
6) Alternate jetting & airlifting well approximately 25-30 hours	5,400.00
7) 1 - Gould's model 10RJLC-1	2,415.50
8) 1 - Franklin 25 HP sand fighter 6" motor	2,545.00
9) 4 - 6"x20' Certalok drop pipe with coupling assemblies (\$344.70/each)	1,378.80
10) 1 - 6" Certalok coupling assembly	49.10
11) 2 - 6" 304 stainless steel certalok adaptors (\$254/each)	508.00
12) 95'x#10/3 Flat jacketed submersible cable with ground (\$3.29/foot)	312.55
13) 4 - #10 Heavy wall splices (\$41.90/each)	167.60
14) 85'x3/16" 304 stainless steel safety cable with stainless clamps (\$2.09/foot)	177.65
15) Splice cable onto motor; assemble pump, motor & equipment	630.00
16) Reinstall pump, motor & equipment; install & tie in new wellhead	950.00
17) 1 - 12" 304 Stainless steel custom fabricated wellhead with gasket & bolt kits	3,300.00
18) Perform final pump & well disinfection	525.00

TOTAL PER WELL: \$ 23,349.20  
TOTAL FOR 2 WELLS: \$ 46,698.40

If you have any questions about the above information or if we may be of any further assistance please don't hesitate to call. Thank you.

Sincerely,

*Jim Murray*

Jim Murray  
President



## **Title - TO2350 - Commencement of Term**

Item No. 8 (a) on Ordinance(s) First Reading. (TO2350) An Ordinance of the City Commission of the City of Tamarac, Florida amending Chapter 2 of the City's Code of Ordinances, entitled "City Commission" by amending Article II, Section 2-27, entitled "Commencement of Term," to amend the date of the commencement of terms for duly elected municipal officers; providing for codification; providing for conflicts; providing for severability; and providing for an effective date. - ***City Clerk Patricia Teufel***

### **ATTACHMENTS:**

<b>Description</b>	<b>Upload Date</b>	<b>Type</b>
☐ TO2350 Memorandum	9/27/2016	Cover Memo
☐ TO2350 - Ordinance	9/27/2016	Ordinance

**CITY OF TAMARAC  
INTEROFFICE MEMORANDUM  
CITY CLERK**

**TO: Michael Cernech,  
City Manager**

**DATE: September 26, 2016**

**FROM: Patricia Teufel,**  
City Clerk

**RE: TO 2350 – Commencement of  
Term of Elected Official**

---

**Recommendation:** The City Clerk recommends that the Mayor and City Commission adopt the proposed Ordinance revising the Commencement of Terms for elected officials at its October 11, 2016 meeting on First Reading.

**Issue:** Amend Section 2-27 to reflect a change in the Commencement of Term of an elected official as a result of the Supervisor of Elections Office not providing election certifications until 10 days after an election in order to ensure that the individual who prevails in an election is entitled to the office at issue.

**Background:** Section 2-27 of the Tamarac Code is written as follows: "The terms of office for those duly elected municipal officers shall begin at 10:00 a.m. on the Tuesday following the election. The officials shall be sworn in at a special meeting of the City Commission". Due to the multiple phases of an election process the Broward County Supervisor of Election does not certify the election results by the Tuesday following an election. Certification of election results are now being sent 10 days after the election, which falls on a Friday, and it is not known at what time during that day the certification would be received in the City Clerk's Office.

It is necessary to change the date of the commencement of the terms for duly elected municipal officials to ensure that the commencement of a commission member's term does not begin until after the election results have been certified by the Broward County Supervisor of Elections. Based on the foregoing, it is recommended that the swearing in of elected officials occur on the Monday following receipt of the certification from the Broward County Supervisor of Elections office.

**Fiscal Impact:** There will be no direct budgetary impact.



**CITY OF TAMARAC, FLORIDA**

**ORDINANCE NO. O-2016-\_\_\_\_\_**

**AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF TAMARAC, FLORIDA AMENDING CHAPTER 2 OF THE CITY'S CODE OF ORDINANCES, ENTITLED "CITY COMMISSION" BY AMENDING ARTICLE II, SECTION 2-27, ENTITLED "COMMENCEMENT OF TERM," TO AMEND THE DATE OF THE COMMENCEMENT OF TERMS FOR DULY ELECTED MUNICIPAL OFFICERS; PROVIDING FOR CODIFICATION; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Section 2-27 of the Code of Ordinances of the City of Tamarac, Florida provides for when the term of office for an elected City Commission shall begin; and

**WHEREAS**, Section 2-27 further provides that such term shall begin at 10:00 a.m. on the Tuesday following the election at a special meeting of the City Commission held for the purpose of swearing in the newly elected officials; and

**WHEREAS**, the Broward County Supervisor of Election's certification of election results, ensures that the individual who prevails in an election is entitled to the office at issue; and

**WHEREAS**, due to the multiple phases of an election process, it occurred with increasing regularity that following an election, the Broward County Supervisor of Election does not certify the election results by the Tuesday following such an election; and

**WHEREAS**, the City Administration finds it in the best interest of the City to amend the City's Code of Ordinances to change the date of the commencement of the terms for duly elected municipal officers to ensure that the commencement of a

commissioner's term does not begin until after the election results have been certified by the Broward County Supervisor of Elections;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF TAMARAC, FLORIDA, AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Ordinance upon adoption hereof.

**SECTION 2.** The City Commission hereby amends Chapter 2, Article II, Section 2-27, entitled "Commencement of term," as follows:

**Sec. 2-27. Commencement of term.**

The terms of office for those duly elected municipal officers shall begin ~~at 10:00 a.m. on the Tuesday~~ Monday following the election Broward County Supervisor of Elections certification of election results. The officials shall be sworn in at a special meeting of the city commission.

**SECTION 3.** It is the intention of the City Commission of the City of Tamarac that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Tamarac, Florida, and that the Sections of this ordinance may be renumbered, re lettered and the word "Ordinance" may be changed to "Section", "Article" or such other word or phrase in order to accomplish such intention

**SECTION 4.** That all Ordinances or parts of Ordinances, Resolutions or parts thereof in conflict herewith, be and the same are hereby repealed to the extent of such conflict.

**SECTION 5.** Should any section, provision, paragraph, sentence, clause of word of

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Words in underlined type are additions.

this Ordinance or portion hereof be held or declared by any court of competent jurisdiction to be unconstitutional or invalid, in part or application, it shall be considered as eliminated and shall not affect the validity of the remaining portions or applications of this Ordinance.

**SECTION 6.** This Ordinance shall become effective immediately upon adoption.

**PASSED, FIRST READING** this \_\_\_\_ day of \_\_\_\_\_, 2016.

**PASSED, SECOND READING** this \_\_\_\_ day of \_\_\_\_\_, 2016.

BY: \_\_\_\_\_  
MAYOR HARRY DRESSLER

ATTEST:

\_\_\_\_\_  
PATRICIA TEUFEL, CMC  
CITY CLERK

RECORD OF COMMISSION VOTE: 1<sup>ST</sup> Reading

MAYOR DRESSLER	_____
DIST 1: COMM BUSHNELL	_____
DIST 2: COMM GOMEZ	_____
DIST 3: V/M GLASSER	_____
DIST 4: COMM PLACKO	_____

RECORD OF COMMISSION VOTE: 2<sup>ND</sup> Reading

MAYOR DRESSLER	_____
DIST 1: COMM BUSHNELL	_____
DIST 2: COMM GOMEZ	_____
DIST 3: V/M GLASSER	_____
DIST 4: COMM PLACKO	_____

I HEREBY CERTIFY that  
I have approved this  
ORDINANCE as to form:

\_\_\_\_\_  
SAMUEL S. GOREN  
CITY ATTORNEY

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