

RESOLUTION 16-07

A RESOLUTION OF THE CITY OF ALACHUA, FLORIDA, SUPPLEMENTING A RESOLUTION OF THE CITY ADOPTED ON AN EVEN DATE HERewith AND AUTHORIZING THE AWARD OF ITS NOT TO EXCEED \$18,000,000 AGGREGATE PRINCIPAL AMOUNT OF THE CITY OF ALACHUA, FLORIDA CAPITAL IMPROVEMENT REVENUE AND REVENUE REFUNDING BONDS, SERIES 2016 UPON THE SATISFACTION OF CERTAIN PARAMETERS DESCRIBED HEREIN, FOR THE PURPOSE OF REFUNDING ALL OF THE CITY'S OUTSTANDING CAPITAL IMPROVEMENT AND REFUNDING REVENUE BONDS, SERIES 2006 IN ORDER TO ACHIEVE DEBT SERVICE SAVINGS, AND TO FINANCE THE ACQUISITION, CONSTRUCTION, EQUIPPING AND INSTALLATION OF VARIOUS CAPITAL IMPROVEMENTS WITHIN THE CITY; AUTHORIZING A COMPETITIVE BID AND APPROVING THE FORM OF THE OFFICIAL NOTICE OF SALE AND SUMMARY NOTICE OF SALE PERTAINING TO SUCH BONDS; MAKING CERTAIN PROVISIONS AND DELEGATING CERTAIN RESPONSIBILITIES WITH RESPECT TO THE NOTICE, BIDDING AND SALE OF THE BONDS; AUTHORIZING THE CITY TO INSURE ALL, SOME OR NONE OF THE BONDS WITH FINANCIAL GUARANTY INSURANCE, WHICHEVER IS IN THE BEST FINANCIAL INTEREST OF THE CITY; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DISCLOSURE DISSEMINATION AGENT AGREEMENT AND AN ESCROW DEPOSIT AGREEMENT; APPROVING THE FORM OF AND THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT PERTAINING TO SAID BONDS; APPOINTING A PAYING AGENT, REGISTRAR AND ESCROW AGENT; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AUTHORIZING CERTAIN OFFICIALS OF THE CITY TO EXECUTE ANY DOCUMENT OR TO TAKE ANY ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Alachua, Florida (the "Issuer") has the power and authority under the Constitution and laws of the State of Florida, including, particularly, Chapter 166, Part II, Florida Statutes, the City Charter, and other applicable provisions of law (collectively, the "Act"), to issue bonds, notes and other obligations, including those hereinafter described; and

WHEREAS, on even date herewith, the Issuer duly and validly adopted an authorizing resolution (as amended and supplemented from time to time, the "Bond Resolution") pursuant to which the Issuer has authorized a series of bonds of the Issuer to be designated as "Alachua, Florida Capital Improvement Revenue and Revenue Refunding Bonds, Series 2016" in an aggregate principal amount of not to exceed \$18,000,000 (the "Series 2016 Bonds"); and

WHEREAS, all capitalized undefined terms used herein shall have the meanings ascribed thereto in the Bond Resolution; and

WHEREAS, because of current volatile market conditions and conditions surrounding the current credit ratings of the various municipal bond insurance companies, the Issuer desires to opt to insure all, some, or none of the Series 2016 Bonds, whichever is in the best financial interests of the Issuer based on the discretion of the bidder, with a policy of financial guaranty insurance, and to authorize the Finance Director, based on the advice of Public Financial Management, Inc., as financial advisor to the Issuer (the "Financial Advisor"), to take any actions and do all things necessary in order to accept any such policy in connection with the issuance of the Series 2016 Bonds; and

WHEREAS, the Issuer has determined it to be in its best interests and to serve a public purpose of the Issuer to provide in this Bond Resolution for the issuance of the Series 2016 Bonds for the purpose of: (i) refunding the Refunded Bonds, (ii) financing the Project, and (iii) paying certain expenses related to the issuance of the Series 2016 Bonds; and

WHEREAS, the Issuer has been advised by its Financial Advisor as to the market appropriateness of preparing for the competitive sale of the Series 2016 Bonds in light of the current market levels and conditions and as to the acceptance of the most favorable bid by delegating to the Finance Director the authority to accept the most favorable bid for the purchase of the Series 2016 Bonds as provided herein; and

WHEREAS, the Issuer desires to approve a Summary Notice of Sale and Official Notice of Sale in connection with the competitive sale of the Series 2016 Bonds, the forms of which are attached hereto as Exhibit A; 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 B, delegate the authority to deem the Preliminary Official Statement "final" for purposes of Rule 15c2-12 of the Securities Exchange Act of 1933, as amended (the "Rule"), and authorize the execution and delivery of a final Official Statement with respect to the Series 2016 Bonds (the "Official Statement"); and

WHEREAS, the Issuer desires to approve the form of and authorize the execution and delivery of a Disclosure Dissemination Agent Agreement, a proposed form of which is attached hereto as Exhibit C (the "Disclosure Dissemination Agent Agreement"); and

WHEREAS, the Issuer desires to approve the form of and authorize the execution of an Escrow Deposit Agreement, a proposed form of which is attached hereto as Exhibit D (the "Escrow Deposit Agreement"); and

WHEREAS, the Issuer desires to appoint The Bank of New York Mellon Trust Company, N.A., as "Escrow Agent" pursuant to the Escrow Deposit Agreement; and

WHEREAS, the Issuer desires to appoint The Bank of New York Mellon Trust Company, N.A., as Registrar and Paying Agent relating to the Series 2016 Bonds; and

WHEREAS, the Issuer finds it desirable to authorize the issuance and sale of the Series 2016 Bonds in the aggregate principal amount not to exceed the amount provided herein pursuant to the terms and conditions of the Bond Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF ALACHUA COMMISSION:

ARTICLE I
AUTHORITY

Section 1.1. Authority. This Supplemental Resolution is adopted pursuant to the Act.

ARTICLE II
DEFINITIONS

Section 2.1. Definitions. All terms used herein in capitalized form, unless otherwise defined herein, shall have the same meanings as ascribed to them in the Bond Resolution. As used herein, unless the context otherwise requires:

"Parity System" means the Parity electronic competitive bidding system.

"Refunded Bonds" shall have the meaning ascribed thereto in the Escrow Deposit Agreement.

ARTICLE III
FINDINGS

Section 3.1. Findings Ratified. The findings and declarations of the Issuer contained in the Bond Resolution are hereby expressly approved, reaffirmed and ratified.

Section 3.2. Authorization. The Issuer is authorized under the Act to issue the Series 2016 Bonds and use the proceeds thereof to: (i) refund the Refunded Bonds, (ii) finance the Project, and (iii) pay certain expenses related to the issuance of the Series 2016 Bonds. The Series 2016 Bonds will be issued under the Bond Resolution.

Section 3.3. Award of Sale of the Series 2016 Bonds. In an effort to encourage a significant number of bidders for the Series 2016 Bonds to participate and in order to take advantage of technological developments in the electronic sale of bonds, the competitive sale of the Series 2016 Bonds shall be conducted via the Parity System or such other system of electronic bid submittal under the direction of the Financial Advisor. Because the Issuer desires to sell the Series 2016 Bonds at the most advantageous time, the Issuer hereby delegates to the Finance Director the authority to establish a bid date, provide the Official Notice of Sale to interested bidders and to award the sale of the Series 2016 Bonds to the lowest conforming bidder in accordance with the Official Notice of Sale based upon the parameters set forth herein. It is hereby ascertained, determined and declared that it is in the best interest of the Issuer to provide for the sale by competitive bid of the Series 2016 Bonds, maturing and bearing interest, having such redemption features and such other terms as set forth herein and in the Official Notice of Sale, and the bid proposal of the lowest conforming bidder selected on a subsequent date pursuant to the terms hereof. The Finance Director is hereby authorized to return any good faith checks presented by any unsuccessful bidders, and to cash and deposit into a special account, with right of investment with interest accruing to the benefit of the Issuer, the good faith check of the original purchaser, or in *lieu* of the delivery of such check, to receive such amount pursuant to wire transfer in accordance with the terms of the Official Notice of Sale.

ARTICLE IV

CONTRACTUAL OBLIGATIONS;

COVENANTS IN BOND RESOLUTION APPLICABLE

Section 4.1. Contractual Obligations; Covenants in Bond Resolution Applicable. Upon and in consideration of the acceptance of the Series 2016 Bonds by the registered owners thereof, the Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Bondholders. The covenants and agreements set forth herein and in the Bond Resolution to be performed by the Issuer shall be for the equal and proportionate benefit, protection and security of the holders of the Series 2016 Bonds issued pursuant to the Resolution and the Bond Insurer, without preference, priority or distinction over any other.

ARTICLE V

TERMS OF BONDS

Section 5.1. Bond Resolution. The Series 2016 Bonds shall be issued in the not to exceed aggregate original principal amount set forth herein in accordance with the terms and provisions of the Bond Resolution, as supplemented hereby, for the purpose of: (i) refunding the Refunded Bonds, (ii) financing the Project, and (iii) paying certain expenses related to the issuance of the Series 2016 Bonds, including, without limitation, the premium for a financial guaranty insurance policy, if any.

Section 5.2. Supplemental Terms of Bonds.

A. The Series 2016 Bonds shall be dated the date of their delivery, or such other date as shall be designated by the Finance Director, shall bear interest from their dated date payable semiannually on the first day of October and the first day of April of each year, commencing on October 1, 2016, or such other date as set forth in the Series 2016 Bonds, at the interest rates, and shall mature annually on October 1 of each year substantially in accordance with the maturity schedule, in accordance with the hereinafter defined Certificate of Award. Interest on the Series 2016 Bonds shall be calculated based upon a 360-day year consisting of 12, 30-day months. The Series 2016 Bonds shall be issued as fully registered bonds in the denomination of \$5,000 each or any integral multiple thereof.

B. The payment of the principal of and interest on the Series 2016 Bonds shall be secured equally and ratably by an irrevocable lien on the Pledged Funds, moneys deposited into the funds and accounts created by the Bond Resolution, and all earnings thereon, all in the manner and to the extent provided in the Bond Resolution.

C. The Series 2016 Bonds shall be subject to such optional and mandatory redemption provisions as are determined in accordance with the Certificate of Award.

D. The Series 2016 Bonds shall be numbered from one upward preceded by the letters "RA" prefixed to the number.

E. The Series 2016 Bonds may be issued as Serial Bonds and/or Term Bonds (with such Amortization Installments) to be determined in accordance with the Certificate of Award.

ARTICLE VI

APPLICATION OF PROCEEDS; ESCROW

Section 6.1. Application; Certain Investments. Proceeds from the sale of the Series 2016 Bonds shall be disposed of as provided in the Bond Resolution. Notwithstanding the provisions of the Bond Resolution, the Finance Director is hereby authorized to supplement and amend the application of proceeds of the Series 2016 Bonds provided in the Bond Resolution above, as evidenced by a certificate of the Finance Director executed in connection with the issuance of the Series 2016 Bonds.

Section 6.2. Escrow; Notices; Transfer of Funds. Subject to the execution and delivery of the Series 2016 Bonds for the purpose of refunding the Refunded Bonds, the Issuer agrees to call the Refunded Bonds for early redemption on May 12, 2016, or such other date as determined in the Escrow Deposit Agreement, at a redemption price of 100% of the principal amount to be redeemed, plus accrued interest to such redemption date.

The form of the Escrow Deposit Agreement attached hereto as Exhibit D is hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be approved and made in such Escrow Deposit Agreement by the Mayor and City Manager, in a manner consistent with the provisions of this Supplemental Resolution, such execution to be conclusive evidence of such approval. Subject to satisfaction of the parameters in Section 7.1. hereof relating to the Series 2016 Bonds, the Mayor is hereby authorized and directed to execute and deliver, the City Clerk and City Manager is hereby authorized to attest under seal and countersign, the Escrow Deposit Agreement.

The Bank of New York Mellon Trust Company, N.A. is hereby appointed Escrow Agent pursuant to the Escrow Deposit Agreement.

Upon execution and delivery of the Escrow Deposit Agreement, at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption, the Issuer hereby directs The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, N.A., or its successor, as paying agent and registrar for the Refunded Bonds, to mail a notice of optional redemption in accordance with the requirements of Section 2.05 of Resolution No. 06-03 adopted by the Issuer on December 19, 2005, and a notice of defeasance upon the issuance of the Series 2016 Bonds.

On the date of issuance of the Series 2016 Bonds, the Issuer may transfer funds which secured the Refunded Bonds and are legally available therefor 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 also authorizes the Finance Director to engage such professionals as in their discretion are competent to provide a verification report with respect to the Refunded Bonds.

The Issuer is hereby authorized to purchase the securities to be described in the Escrow Deposit Agreement, if any, and the Mayor, City Manager and Finance Director, both individually and collectively, may execute all documents in connection therewith.

ARTICLE VII COMPETITIVE SALE; DESIGNATIONS AND APPROVALS

Section 7.1. Summary Notice of Sale and Official Notice of Sale; Delegated Award.

(1) The Issuer hereby approves the forms of each of the Summary Notice of Sale and the Official Notice of Sale attached hereto as Exhibit A, each made a part hereof as if set forth herein in their entirety, subject to such modifications, amendments, changes and filling of blanks therein as shall be approved by the Finance Director. The Issuer hereby authorizes the newspaper publication of the Summary Notice of Sale pursuant to the requirements of law, and the distribution of the Official Notice of Sale based on the advice of the Financial Advisor.

(2) In addition to other items described herein, the Issuer hereby delegates to the Finance
City of Alachua

Director of the Issuer the authority to determine the interest rates, the prices and yields and the delivery date for the Series 2016 Bonds, and all other details of the Series 2016 Bonds, and to take such further action as shall be required for carrying out the purposes of the Bond Resolution all with respect to the Series 2016 Bonds.

(3) Subject to full satisfaction of the conditions set forth in this subparagraph (3) of this Section 7.1, the Issuer hereby authorizes a delegated award of the Series 2016 Bonds to the successful bidder in accordance with the terms of the Official Notice of Sale and the bid of the successful bidder, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Finance Director in accordance with the provisions of the Official Notice of Sale. The bid of the successful bidder to purchase the Series 2016 Bonds shall not be accepted by the Issuer until such time as the Issuer is in receipt of a properly delivered bid to purchase such Series 2016 Bonds by the successful bidder, as adjusted as permitted in the applicable Official Notice of Sale, said offer to provide for, among other things: (i) the issuance of not exceeding \$18,000,000 aggregate principal amount, (ii) a true interest cost rate of not more than 4.5%, (iii) a final maturity not being later than October 1, 2046, (iv) net present value debt service savings attributable to the refunding of the Refunded Bonds not less than 3.0% of the principal amount of the Refunded Bonds, and (v) a completed truth-in-bonding statement in compliance with Section 218.385, Florida Statutes. The award of the Series 2016 Bonds to the lowest bidder and establishment of the final pricing terms and conditions shall be evidenced by the delivery of a Certificate of Finance Director ("Certificate of Award") to the City Clerk, the form of which is attached hereto as Exhibit E.

(4) Notwithstanding the foregoing, if the conditions set forth in items (i), (ii), (iii), and (v) of subparagraph (3) of Section 7.1 hereof are satisfied, the issuance of the Series 2016 Bonds and the delegated award of the Series 2016 Bonds to the successful bidder is hereby authorized for the purposes of financing the Project and paying certain expenses related to the issuance of the Series 2016 Bonds.

Section 7.2. Paying Agent and Registrar. The Bank of New York Mellon Trust Company, N.A., is hereby appointed Paying Agent and Registrar for the Series 2016 Bonds. Subject to satisfaction of the parameters in Section 7.1 hereof relating to the Series 2016 Bonds, the Mayor is hereby authorized and directed to execute and deliver, the City Manager and City Clerk is hereby authorized to countersign and attest under seal, a registrar and paying agent agreement on behalf of the Issuer, and any other agreement which may be necessary to effect the appointment contemplated by this Section 7.2 and by the Bond Resolution.

Section 7.3. Approval of Preliminary Official Statement. The Issuer hereby approves the form and content of the draft Preliminary Official Statement attached hereto as Exhibit B, and authorizes the Mayor, the City Manager and the Finance Director to make or approve such changes, modifications and revisions to the draft Preliminary Official Statement as he or she may deem necessary or desirable; hereby authorizes the

Mayor, the City Manager or the Finance Director to deem "final" the Preliminary Official Statement, as so amended and approved by him or her, for purposes of the Rule; and approves the use of the Preliminary Official Statement in the marketing of the Series 2016 Bonds. The Mayor and the City Manager are hereby authorized to execute, on behalf of the Issuer, the final Official Statement relating to the Series 2016 Bonds with such changes from the Preliminary Official Statement as, in their sole discretion, may approve, such execution to be conclusive evidence of such approval, and such final Official Statement is hereby authorized to be used and distributed in connection with the marketing and sale of the Series 2016 Bonds.

Section 7.4. Approval of Form of Disclosure Dissemination Agent Agreement. The Issuer hereby covenants and agrees that, in order to assist the original purchasers 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 original purchasers, as it 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 C is hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be approved and made in such Disclosure Dissemination Agent Agreement by the Mayor, the City Manager and the Finance Director, in a manner consistent with the provisions of this Supplemental Resolution, such execution to be conclusive evidence of such approval. Subject to satisfaction of the parameters in Section 7.1. hereof relating to the Series 2016 Bonds, the Mayor is hereby authorized and directed to execute and deliver, the City Manager and City Clerk is hereby authorized to countersign and attest under seal, the Disclosure Dissemination Agent Agreement on behalf of the Issuer. Notwithstanding any other provision of the Bond Resolution, failure of the Issuer to comply with such Disclosure Dissemination Agent Agreement shall not be considered an event of default thereunder or hereunder. However, the Disclosure Dissemination Agent Agreement shall be enforceable by the Holders in the event that the Issuer fails to cure a breach thereunder within a reasonable time after written notice from a Holder to the Issuer that a breach exists. Any rights of the Holders to enforce the provisions of the covenant shall be on behalf of all Holders and shall be limited to a right to obtain specific performance of the Issuer's obligations thereunder.

Section 7.5. Optional Financial Guaranty Insurance. The Issuer is hereby authorized to insure all, some or none of the Series 2016 Bonds, whichever is in the best financial interests of the Issuer, based on the discretion of the bidder, with a policy of financial guaranty insurance, and further authorizes the Finance Director to take any actions and do all things necessary in order to accept such policy in connection with the issuance of the Series 2016 Bonds.

ARTICLE VIII AUTHORIZATIONS CONCERNING BONDS

Section 8.1. General Authorizations. The members of the City Commission of the Issuer, the City Manager, the Finance Director, the City Attorney, the City Clerk and the Issuer's officers, attorneys and other agents and employees of the Issuer, are each designated as agents of the Issuer in connection with the issuance and delivery of the Series 2016 Bonds and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents and contracts on behalf

of the Issuer that are necessary or desirable in connection with the execution and delivery of the Series 2016 Bonds, and which are specifically authorized or are not inconsistent with the terms and provisions of the Bond Resolution or any action relating to the Series 2016 Bonds heretofore taken by the Issuer. Such officers and those so designated are hereby charged with the responsibility for the issuance of the Series 2016 Bonds.

ARTICLE IX
SEVERABILITY; EFFECTIVE DATE

Section 9.1. Severability. If any one or more of the covenants, agreements or provisions of this Supplemental 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, 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 Supplemental Resolution or of the Series 2016 Bonds issued hereunder.

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Section 9.2. Effective Date. The provisions of this Supplemental Resolution shall be effective immediately upon its adoption.

DULY ADOPTED, in regular session, this 14th day of March, 2016.

(SEAL)

CITY COMMISSION OF THE
CITY OF ALACHUA, FLORIDA

Gib Coerper, Mayor

ATTESTED AND COUNTERSIGNED:

Traci L. Gresham, City Manager/Clerk

EXHIBIT A

**FORM OF SUMMARY NOTICE OF SALE
AND OFFICIAL NOTICE OF SALE**

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT

EXHIBIT C

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

EXHIBIT D

FORM OF ESCROW DEPOSIT AGREEMENT

EXHIBIT E

FORM OF CERTIFICATE OF FINANCE DIRECTOR