

RESOLUTION NO. 21-R14

A RESOLUTION OF THE CITY OF FORT PIERCE, FLORIDA ACCEPTING THE PROPOSAL OF CAPITAL ONE PUBLIC FUNDING, LLC TO PURCHASE THE CITY'S NOT TO EXCEED \$9,000,000 STORMWATER REVENUE REFUNDING NOTE, SERIES 2021, THE PROCEEDS OF WHICH WILL BE APPLIED TO PREPAY \$8,420,000 PRINCIPAL AMOUNT OF THE CITY'S OUTSTANDING STORMWATER UTILITY SYSTEM REFUNDING REVENUE NOTE, SERIES 2016 AND PAY THE COSTS OF ISSUING THE 2021 NOTE; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE LENDER TO SECURE THE REPAYMENT OF THE 2021 NOTE; PROVIDING FOR THE PAYMENT OF THE 2021 NOTE FROM THE CITY'S STORMWATER REVENUES ALL AS PROVIDED IN THE LOAN AGREEMENT; AUTHORIZING THE PROPER OFFICIALS OF THE CITY TO DO ANY OTHER ADDITIONAL THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE LOAN AGREEMENT, THE 2021 NOTE, AND THE SECURITY THEREFOR AND THE PREPAYMENT OF A PORTION OF THE 2016 NOTE; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS IN CONNECTION WITH THE 2021 NOTE AND THE PREPAYMENT OF A PORTION OF THE 2016 NOTE; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT PIERCE, FLORIDA AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 166, Florida Statutes, as amended, the Florida Constitution, and other applicable provisions of law.

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

(A) The City of Fort Pierce, Florida (the "City") deems it necessary, desirable and in the best interests of the City that the City issue its Stormwater Revenue Refunding Note, Series 2021 (the "2021 Note") to prepay \$8,420,000 principal amount of the City's outstanding Stormwater Utility System Revenue Refunding Note, Series 2016 (the "2016 Note"), in that such prepayment will result in debt service savings for the City, all as more particularly described herein and in the Loan Agreement (as defined herein).

(B) Pursuant to Section 2(b), Article VIII of the State Constitution and Section 166.021, Florida Statutes, as amended, municipalities have the governmental, corporate and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, and may exercise any power for municipal purposes, except when expressly prohibited by law. The issuance of the 2021 Note and the execution and delivery of the Loan Agreement for the purposes of the prepayment of a portion of the 2016 Note is not prohibited by law.

(C) The City staff in consultation with B.C. Ziegler and Company ("Ziegler") has reviewed the proposal of Capital One Public Funding, LLC (the "Lender") regarding a loan in an amount not to exceed \$9,000,000 (the "Loan") to the City, the proceeds of which will be applied to prepay a portion of the 2016 Note and to pay costs of issuing the 2021 Note.

(D) The Loan will be secured by the City's Stormwater Revenues as provided in the Loan Agreement pursuant to which the City will issue the 2021 Note to secure the repayment of the Loan.

(E) The City has determined that due to the present volatility of the market for municipal debt, it is in the best interest of the City to issue the 2021 Note pursuant to the Loan Agreement by negotiated sale, allowing the City to issue the 2021 Note at the most advantageous time, rather than a specified advertised future date, thereby allowing the City to obtain the best possible price, interest rate and

other terms for the 2021 Note and, accordingly, the City Commission of the City hereby finds and determines that it is in the best financial interest of the City that a negotiated private placement of the 2021 Note to the Lender be authorized.

SECTION 3. AUTHORIZATION OF ISSUANCE OF 2021 NOTE AND PREPAYMENT OF THE 2016 NOTE. The City hereby authorizes the issuance of the 2021 Note in a principal amount not to exceed \$9,000,000 to prepay a portion of the 2016 Note and pay costs of issuing the 2021 Note as more particularly described in the Loan Agreement. The prepayment of a portion of the 2016 Note is hereby authorized.

SECTION 4. ACCEPTANCE OF PROPOSAL LETTER WITH LENDER. In consultation with Ziegler, the City hereby accepts the proposal letter of the Lender dated January 26, 2021.

SECTION 5. APPROVAL OF FORM OF AND AUTHORIZATION OF LOAN AGREEMENT AND 2021 NOTE AND EXECUTION OF LOAN AGREEMENT AND 2021 NOTE. The Loan and the repayment of the Loan as evidenced by the 2021 Note shall be pursuant to the terms and provisions of the Loan Agreement and the 2021 Note. The City hereby approves the Loan Agreement in substantially the form attached hereto as Exhibit A and authorizes the Mayor or the Mayor Pro-Tem of the City (collectively, the "Mayor") and the City Clerk or any deputy or assistant City Clerk of the City (collectively, the "City Clerk") and the City Attorney to execute and deliver on behalf of the City the Loan Agreement by and between the City and the Lender substantially in the form attached hereto as Exhibit A (the "Loan Agreement") and the 2021 Note in substantially the form attached to the Loan Agreement, with such changes, insertions and additions as they may approve, their execution thereof being evidence of such approval.

SECTION 6. PAYMENT OF DEBT SERVICE ON 2021 NOTE. Pursuant to the Loan Agreement, the 2021 Note will be secured by the City's Stormwater Revenues, all as more particularly described in the Loan Agreement.

SECTION 7. AUTHORIZATION OF OTHER DOCUMENTS AND FURTHER ACTIONS TO EFFECT TRANSACTION. To the extent that other documents, certificates or opinions, are needed to effect any of the transactions referenced in this Resolution, the Loan Agreement or the 2021 Note, and the security therefore, including, but not limited to, the prepayment of a portion of the 2016 Note, the Mayor, the City Clerk, the City Manager, the City's Finance Director, the City Attorney and other City officials, officers, attorneys, agents and employees are hereby authorized to execute and deliver such documents, certificates, opinions, or other items and to take such other actions as are necessary for the full, punctual, and complete performance of the covenants, agreements, provisions, and other terms as are contained herein and in the documents included herein by reference.

SECTION 8. PAYING AGENT AND REGISTRAR. The City hereby accepts the duties to serve as registrar and paying agent for the 2021 Note.

SECTION 9. LIMITED OBLIGATION. The obligation of the City to repay amounts under the Loan Agreement and the 2021 Note are limited and special obligations, payable solely from the sources and in the manner set forth in the Loan Agreement and shall not be deemed a pledge of the faith and credit or taxing power of the City.

SECTION 10. EFFECT OF PARTIAL INVALIDITY. If any one or more provisions of this Resolution, the Loan Agreement, or the 2021 Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, the 2021 Note or the Loan Agreement, but this Resolution, the Loan Agreement, and the 2021 Note shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The 2021 Note shall be issued and Loan Agreement shall be executed and this Resolution is adopted with the intent that the laws of the State of Florida shall govern their construction.

SECTION 11. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

IN WITNESS WHEREOF, this Resolution has been duly adopted this 16th day of February, 2021.

CITY OF FORT PIERCE, FLORIDA

ATTEST:

By: _____
Linda Hudson, Mayor Commissioner

By: _____
Linda Cox, City Clerk

(CITY SEAL)

APPROVED AS TO THE FORM
AND CORRECTNESS:

By: _____
Peter J. Sweeney Jr., City Attorney

EXHIBIT A
LOAN AGREEMENT