

RESOLUTION NO. 23- R__

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT PIERCE, FLORIDA; APPROVING THE BORROWING BY THE FORT PIERCE UTILITIES AUTHORITY OF THE CITY OF FORT PIERCE, FLORIDA, OF UP TO \$4,000,000 IN THE FORM OF A TAXABLE REVOLVING LINE OF CREDIT FROM SEACOAST NATIONAL BANK; PROVIDING FOR A SEVERABILITY CLAUSE; REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Fort Pierce Utilities Authority of the City of Fort Pierce, Florida (the "Authority"), proposes to borrow not to exceed \$4,000,000 from Seacoast National Bank (the "Bank") in the form of a one year taxable revolving line of credit (the "Line of Credit") secured by a junior and subordinate (in all respects) pledge of and lien on the excess of the collections from the Authority's electric and gas power adjustments over the Authority's wholesale purchased power (electric and gas) costs (the "Electric and Natural Gas Power Cost Adjustments"); and

WHEREAS, in furtherance thereof, the Authority adopted, on January 17, 2023, its Resolution No. U.A. 2023-__ (the "Authority Resolution"), authorizing the Authority to issue a Promissory Note in favor of the Bank, enter into a Revolving Loan Agreement with the Bank and take such other action as may be necessary in connection therewith, which Authority Resolution is attached as Exhibit A hereto; and

WHEREAS, Section 176(9) of the Charter of the City of Fort Pierce, Florida (the "Charter"), provides that the Authority may borrow for periods of not to exceed two (2) years with the approval of the City Commission of the City of Fort Pierce, Florida (the "City").

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Fort Pierce, Florida:

SECTION 1. APPROVAL OF BORROWING: The City Commission hereby approves the borrowing by the Authority of up to \$4,000,000 from the Bank as set forth in the Authority Resolution.

SECTION 2. LIMITATION: The principal of, premium, if any, and interest on the Line of Credit shall be payable from and secured solely by a junior and subordinate (in all respects) lien on and pledge of the Electric and Natural Gas Power Cost Adjustments. The Authority has no taxing power. Neither the Line of Credit nor the interest thereon shall be or constitute general obligations or indebtedness of the Authority or the City as "bonds" within the meaning of the Constitution of Florida, but shall be payable from and secured solely by a junior and subordinate (in all respects) lien upon and pledge of the Electric and Natural Gas Power Cost Adjustments as provided in the Authority Resolution. The Bank shall never have the right to compel the exercise of the ad valorem taxing power of the City or taxation in any form of any property therein to pay such Line of Credit or the interest thereon or be entitled to payment of such principal and interest from any other funds of the Authority or the City except from the Electric and Natural Gas Power Cost Adjustments pledged in the manner provided in the Authority Resolution.

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Neither the Line of Credit nor the interest thereon shall have or be a lien upon any property of the Authority, other than the Electric and Natural Gas Power Cost Adjustments in the manner provided in the Authority Resolution, or any property of or located within the boundaries of the City.

SECTION 3. SEVERABILITY: The provision of this Resolution are declared to be severable and if any section, sentence, clause, or phrase of this Resolution shall, for any reason, be held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining sections, sentences, clauses, and phrases of this Resolution but shall remain in effect, it being the legislative intent that this Resolution shall stand notwithstanding the invalidity of any part.

SECTION 4. NO CONFLICTS: All resolutions or parts of resolutions in conflict herewith are hereby repealed.

SECTION 5. EFFECTIVE DATE: This Resolution shall take effect immediately upon its adoption.

ATTEST:

Linda W. Cox, City Clerk

Approved as to Form
And Correctness:

Tanya M. Earley, Esq.
City Attorney

EXHIBIT "A"

AUTHORITY RESOLUTION NO. U.A. 2022- ____

(Including Exhibits)