

Currently Effective Amendatory Resolution

CITY OF GAINESVILLE, FLORIDA

RESOLUTION NO. 170405

**AMENDING THE CITY'S
AMENDED AND RESTATED GENERAL BOND RESOLUTION
Adopted January 30, 2003**

Adopted on September 21, 2017

A RESOLUTION OF THE CITY OF GAINESVILLE, FLORIDA AMENDING CERTAIN SECTIONS OF THE AMENDED AND RESTATED UTILITIES SYSTEM REVENUE BOND RESOLUTION; MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH; AUTHORIZING THE GENERAL MANAGER FOR UTILITIES AND OTHER OFFICERS TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH SUCH AMENDMENTS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Gainesville, Florida ("City") has heretofore adopted on June 6, 1983, its Utilities System Revenue Bond Resolution, as amended and restated by the Amended and Restated Utilities System Revenue Bond Resolution adopted on January 30, 2003, as amended, including, without limitation, as amended by the Thirteenth Supplemental Utilities System Revenue Bond Resolution adopted on July 14, 2003, authorizing the issuance of its Bonds and other debt obligations (the "General Bond Resolution"); and

WHEREAS, all capitalized terms used herein and not otherwise defined below shall have the meanings provided in the General Bond Resolution; and

WHEREAS, the City desires to amend certain sections of the General Bond Resolution as set forth in Article II hereof (the "Amendments"); and

WHEREAS, the City has determined that such Amendments can be made pursuant to Section 1002 of the General Bond Resolution upon satisfying the conditions set forth therein; and

WHEREAS, certain of the amendments are necessary to cure ambiguities, supply any omissions, cure or correct certain defects and inconsistent provisions in the General Bond Resolution; and

WHEREAS, certain of the amendments are necessary to clarify matters or questions arising under the Resolution that are necessary or desirable and are not contrary to or inconsistent with the General Bond Resolution as currently in effect; and

WHEREAS, the amendments will not have a material adverse effect on the interests of Bondholders;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA THAT:

**ARTICLE I
FINDINGS AND DETERMINATIONS**

Section 1.01 Findings and Determinations.

(a) Section 1002 of the General Bond Resolution permits amendments to its terms without the consent of any Bondholder of any Bond if the provisions of such amendment are for the purposes described therein.

(b) Prior to the effective date thereof, the City shall have received the consent of the Trustee and an Opinion of Counsel conforming to the requirements set forth in paragraph 2 of Section 1004 of the General Bond Resolution.

**ARTICLE II
AMENDMENTS**

Section 2.01 Amendments. Pursuant to Section 1002 of the General Bond Resolution, the General Bond Resolution is amended in the following respects, in each case effective upon consent of the Trustee and receipt of the Opinion of Counsel as described paragraph 2 of Section 1004 of the General Bond Resolution:

(a) The definitions of “Accountant’s Report” and “Prior Bonds” contained in Section 101 of the General Bond Resolution are hereby deleted in their entirety.

(b) Section 101 of the General Bond Resolution is hereby amended by amending and restating the following definitions (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

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 Bond as stated on its original issuance date plus the interest accrued on such Bond from the date of original issuance of such Bond to the periodic date specified in the Supplemental Resolution authorizing such Capital Appreciation Bond on which interest on such Bond is to be compounded (hereinafter in this definition, a “Periodic Compounding Date”) next preceding the date of computation or the date of computation if a Periodic Compounding Date, such interest to accrue at the interest rate per annum of the Capital Appreciation Bonds set forth in the Supplemental Resolution authorizing such Bonds, compounded periodically on each Periodic Compounding Date, plus, if such date of computation shall not be a Periodic Compounding Date, a portion of the difference between the Accreted Value as of the immediately preceding Periodic Compounding Date (or the date of original issuance if the date of computation is prior to the first Periodic Compounding Date succeeding the date of original issuance) and the Accreted Value as of the immediately succeeding Periodic Compounding Date, calculated based upon an assumption that, unless otherwise provided in the Supplemental Resolution authorizing such Capital Appreciation Bonds, Accreted Value accrues in equal daily amounts on the basis of a year of twelve 30-day months.

Accrued Aggregate Debt Service shall mean, as of any date of calculation, an amount equal to the sum of (a) the amounts of accrued Debt Service with respect to all

Series of Bonds, calculating the accrued Debt Service with respect to each Series at an amount equal to the sum of (i) interest component of Debt Service on the Bonds of such Series accrued and unpaid and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installments for such Series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month; provided, however, that (i) there shall be excluded from the calculation of Accrued Aggregate Debt Service any Principal Installments which are Refundable Principal Installments, (ii) the principal and interest portions of the Accreted Value of Capital Appreciation Bonds or the Appreciated Value of Deferred Income Bonds shall be included in the calculation of Accrued Aggregate Debt Service at the times and in the manner provided in subsection 1 of Section 208 and (iii) if the calculation of the Debt Service Reserve Requirement for any separate subaccount in the Debt Service Reserve Account in the Debt Service Fund takes into account Accrued Aggregate Debt Service, then, for purposes of such calculation, Accrued Aggregate Debt Service shall be calculated only with respect to the Bonds of the Series secured thereby and (b) the amounts of accrued Debt Service with respect to all Parity Hedging Contract Obligations to the extent such amounts are not taken into account in the calculation of Debt Service on Bonds.

Aggregate Debt Service for any period shall mean, as of any date of calculation, except as otherwise provided in the definition of Debt Service, the sum of (a) the amounts of Debt Service for such period with respect to all Series of Bonds; provided, however, that, except as otherwise provided herein, (i) for purposes of estimating Aggregate Debt Service for any future period (X) any Variable Rate Bonds Outstanding during such period, the Debt Service on which is not the subject of a Qualified Hedging Contract, shall be assumed to bear interest during such period at the greater of (1) the actual rate of interest then borne by such Variable Rate Bonds or (2) the Certified Interest Rate applicable thereto and (Y) any Option Bonds Outstanding during such period shall be assumed to mature on the stated maturity date thereof, and (ii) the principal and interest portions of the Accreted Value of Capital Appreciation Bonds or the Appreciated Value of Deferred Income Bonds shall be included in the calculation of Aggregate Debt Service at the times and in the manner provided in subsection 1 of Section 208; and provided, further, that if the calculation of the Debt Service Reserve Requirement for any separate subaccount in the Debt Service Reserve Account in the Debt Service Fund takes into account Aggregate Debt Service, then, for purposes of such calculation, Aggregate Debt Service shall be calculated only with respect to the Bonds of the Series secured thereby and (b) the amounts of Debt Service for such period with respect to all Parity Hedging Contract Obligations, to the extent such payments are not taken into account in the calculation of Debt Service on Bonds.

Authorized Officer of the City shall mean the Mayor, General Manager for Utilities, the Utility ~~Finance Director, the Assistant General Manager for Customer and Administrative Services of the System~~ Chief Financial Officer or any other officer, employee or agent of the City authorized to perform specific acts or duties by resolution duly adopted by the City.

Certified Interest Rate shall mean, with respect to Commercial Paper Notes, Medium-Term Notes or the Variable Rate Bonds of a particular Series maturing on a particular date, the interest rate set forth in a certificate of an Authorized Officer of the City executed on or prior to the date of the initial issuance of such Commercial Paper Notes, Medium-Term Notes or Variable Rate Bonds of such Series, as the case may be, which interest rate shall be (i) in the case of Variable Rate Bonds, the rate of interest such Variable Rate Bonds would bear (based on the Bond Buyer Revenue Bond Index if the interest on such Bonds is or is expected to be excludable from the gross income of the holder thereof for federal income tax purposes and if not then such other comparable index reasonably selected by the City) if, assuming the same maturity date, terms and provisions (other than interest rate) as the proposed Variable Rate Bonds of such maturity, and on the basis of the City's credit ratings with respect to the Bonds (other than Bonds for which credit enhancement is provided by a third party), such proposed Variable Rate Bonds of such maturity were issued at a fixed interest rate or (ii) in the case of Commercial Paper Notes or Medium-Term Notes, the rate of interest such Commercial Paper Notes or Medium-Term Notes would bear (based on the Bond Buyer Revenue Bond Index) if such Notes were issued as Bonds bearing a fixed interest rate and maturing as provided in the Commercial Paper Payment Plan. If at such time of issuance of such Commercial Paper Notes, Medium-Term Notes or Variable Rate Bonds of a particular Series, the Bond Buyer Revenue Bond Index is no longer published, the City shall use a comparable published index accepted by the municipal bond market.

Commercial Paper Payment Plan shall mean, with respect to any Series of Commercial Paper Notes and as of any time, the then current Commercial Paper Payment Plan for such notes contained in a certificate of an Authorized Officer of the City delivered on or prior to the date of the first issuance of such Commercial Paper Notes and setting forth the sources of funds expected to be utilized by the City to pay the principal of and interest on such Commercial Paper Notes or any subsequent certificate of an Authorized Officer of the City thereafter executed to reflect changes, if any, in the expectations of the City with respect to the sources of funds to be utilized to pay principal of and interest on such Commercial Paper Notes; provided, however, that if any Commercial Paper Payment Plan provides for the refunding of any Commercial Paper Note with proceeds of (a) Bonds other than Commercial Paper Notes or Medium-Term Notes or (b) Subordinated Indebtedness, in either such case, that the City intends to pay from Revenues, the principal of such Commercial Paper Note shall, for purposes of the Commercial Paper Payment Plan, be assumed to come due over a period commencing with the due date of the Commercial Paper Note and ending not later than the later of (x) the 30th anniversary of the first issuance of Commercial Paper Notes of such Series treating each original issuance tranche of a Commercial Paper Note as a Series or (y) the 10th anniversary of the due date of the Commercial Paper Note to be refunded, in installments such that the principal and interest payable on such Commercial Paper Note in each Fiscal Year in such period will be equal to the principal and interest payable on such Commercial Paper Note in each other Fiscal Year in such period.

Cost of Acquisition and Construction shall mean the City's costs, expenses and liabilities paid or incurred or to be paid or incurred by the City in connection with the planning, engineering, designing, acquiring, constructing, installing, financing, operating, maintaining, retiring, decommissioning and disposing of the System or any part thereof

and the obtaining of all governmental approvals, certificates, permits and licenses with respect thereto, including, but not limited to, any good faith or other similar payment or deposits required in connection with the purchase of such part of the System, the cost of acquisition by or for the City of real and personal property or any interests therein, costs of physical construction of such part of the System and costs of the City incidental to such construction or acquisition, the cost of acquisition of fuel or fuel inventory or facilities for the production or transportation of fuel and working capital and reserves therefor and working capital and reserves for reload fuel and for additional fuel inventories, all costs relating to such part of the System, the cost of any indemnity or surety bonds and premiums on insurance, preliminary investigation and development costs, engineering fees and expenses, contractors' fees and expenses, the costs of labor, materials, equipment and utility services and supplies, legal and financial advisory fees and expenses, interest and financing costs, including, without limitation, bank commitment and letter of credit fees, bond insurance and indemnity premiums, discounts to the underwriters or other purchasers thereof, if any, all amounts required to be rebated to the United States of America in order to preserve the exclusion from gross income for federal income tax purposes of interest on tax-exempt Bonds, amounts required to be paid under any interest rate exchanges or swaps, cash flow exchanges, options, caps, floors or collars, in each case made in connection with the issuance of Bonds, Subordinated Indebtedness or other evidences of indebtedness of the City relating to the System, payments~~amounts owed~~ under any Qualified Hedging Contract, fees and expenses of the Fiduciaries, administration and general overhead expense and costs of keeping (to the extent and in the manner provided herein) accounts and making reports required by the Resolution prior to or in connection with the completion of construction of such part of the System, amounts, if any, required by the Resolution to be paid into the Debt Service Fund to provide, among other things, for interest accruing on Bonds and to provide for the Debt Service Reserve Requirement or to be paid into the Utilities Plant Improvement Fund or for payments when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the City, including notes and Subordinated Indebtedness, incurred in respect of any of the foregoing, amounts, if any, required by a Supplemental Resolution to be paid into the Rate Stabilization Fund, and amounts required for working capital for the System and reserves therefor, and all federal, state and local taxes and payments in lieu of taxes legally required to be paid in connection with any part of the System and shall include reimbursements to the City for any of the above items theretofore paid by or on behalf of the City. It is intended that this definition be broadly construed to encompass all costs, expenses and liabilities of the City related to the System which on the date of the Resolution or in the future shall be permitted to be funded with the proceeds of Bonds pursuant to the provisions of Florida law.

Credit Enhancer shall mean, with respect to any Bonds, any person ~~or~~for entity which, pursuant to a Supplemental Resolution, is designated as a Credit Enhancer and which provides Credit Enhancement for such Bonds.

Debt Service for any period shall mean, as of any date of calculation (a) with respect to any Series of Bonds, an amount equal to the sum of (i) interest accruing during such period on Bonds of such Series, except to the extent that such interest is to be paid from deposits into the Debt Service Account in the Debt Service Fund made from the

proceeds of Bonds, Subordinated Indebtedness or other evidences of indebtedness of the City (including amounts, if any, transferred thereto from the Construction Fund) and (ii) that portion of each Principal Installment for such Series which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, (x) in the case of Bonds other than Parity Reimbursement Obligations, if (1) there shall be no such preceding Principal Installment due date or (2) such preceding Principal Installment due date is more than one year prior to the due date of such Principal Installment, then, from a date one year preceding the due date of such Principal Installment or from the date of issuance of the Bonds of such Series, whichever date is later, and (y) in the case of Parity Reimbursement Obligations, in accordance with the terms thereof and the Supplemental Resolution authorizing such Parity Reimbursement Obligations), except to the extent that such Principal Installment is paid or to be paid from the proceeds of Bonds, Subordinated Indebtedness or other evidences of indebtedness of the City and (b) with respect to each Parity Hedging Contract Obligation, an amount equal to the sum of all net amounts owed thereunder by the City during such period, excluding, however, payment obligations taken into account below in the calculation of Debt Service on Bonds, and excluding Hedge Charges. Such interest and Principal Installments for such Series of Bonds shall be calculated on the assumption that (x) no Bonds (except for Option Bonds actually tendered for payment prior to the stated maturity thereof and paid, or to be paid, from Revenues) of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof, (y) the principal amount of Option Bonds tendered for payment before the stated maturity thereof and paid, or to be paid, from Revenues, shall be deemed to accrue on the date required to be paid pursuant to such tender and (z) the principal and interest portions of the Accreted Value of Capital Appreciation Bonds or the Appreciated Value of Deferred Income Bonds shall be included in the calculation of Debt Service at the times and in the manner provided in subsection 1 of Section 208; provided, however, that if the calculation of the Debt Service Reserve Requirement for any separate subaccount in the Debt Service Reserve Account in the Debt Service Fund takes into account Debt Service, then, for purposes of such calculation, Debt Service shall be calculated only with respect to the Bonds of the Series secured thereby. If the City has, in connection with any ~~such~~ Series of Bonds, entered into a Qualified Hedging Contract which provides that, in respect of a notional amount equal to or less than the Outstanding principal amount of such Bonds, the City is to pay to a Qualified Hedging Contract Provider an amount determined based upon a variable rate of interest and the Qualified Hedging Contract Provider is to pay to the City an amount determined based upon a fixed rate of interest equal to the rate or rates at which such Bonds bear interest, it will be assumed that such Bonds or portion thereof equal to such notional amounts bear interest at the variable rate of interest to be paid by the City under the Qualified Hedging Contract. If the City has, in connection with any Variable Rate Bonds, Parity Commercial Paper Notes or Parity Medium-Term Notes, entered into a Qualified Hedging Contract which provides that, in respect of a notional amount equal to or less than the Outstanding principal amount of the Variable Rate Bonds, Parity Commercial Paper Notes or Parity Medium-Term Notes, the City is to pay to a Qualified Hedging Contract Provider an amount determined based upon a fixed rate of interest and the Qualified Hedging Contract Provider is to pay to the City an amount determined based upon a variable rate of interest equal or comparable to the rate at which such Variable Rate Bonds, Parity Commercial Paper Notes or Parity

Medium-Term Notes bear interest, it will be assumed that such Variable Rate Bonds, Parity Commercial Paper Notes or Parity Medium-Term Notes or portion thereof equal to such notional amount bear interest at the fixed rate of interest to be paid by the City-under the Qualified Hedging Contract.

Debt Service Reserve Requirement shall mean with respect to each subaccount, if any, in the Debt Service Reserve Account, the amount specified in the Supplemental Resolution pursuant to which such subaccount shall be established; provided, however, that if at any time the City at its option shall have established one or more Reserve Deposits in connection with the issuance of any Additionally Secured Series of Bonds, the Debt Service Reserve Requirement for such Additionally Secured Series of Bonds as of any date of calculation shall be reduced by an amount equal to the sum of all Reserve Deposits not due and payable in such current or future Fiscal Year to which the calculation relates. For purposes of the foregoing calculation, it shall be assumed that Variable Rate Bonds will bear interest during any period at the greater of (i) the actual rate of interest then borne by such Bonds as determined in accordance with the methodology set forth in the definition of Debt Service or (ii) the Certified Interest Rate applicable thereto, or as otherwise provided for in the Supplemental Resolution applicable to such Variable Rate Bonds. For the avoidance of doubt, Bonds issued hereunder may be issued with a zero Debt Service Reserve Requirement and in that case, such Bonds shall not be entitled to payments from the Debt Service Reserve Account or any subaccount therein.

Opinion of Counsel shall mean an opinion in writing signed by an attorney or firm of attorneys (who may be counsel to the City) selected by the City, and which may include Bond Counsel.

Parity Hedging Contract Obligation shall have the meaning given to such term in Section 209, excluding, however, Hedge Charges. For purposes of Section 803 hereof, any Parity Hedging Contract Obligation shall specify, to the extent applicable, the interest and principal components of, or the scheduled payments corresponding to interest under, such Parity Hedging Contract Obligation.

Rating Category shall mean one of the generic rating categories of any Rating Agency without regard to any refinement or gradation of such rating by a numerical modifier or otherwise; provided, however, that for purposes hereof any requirement that an obligation be rated in the highest short-term Rating Category shall be deemed to be satisfied if such obligation is rated A-1 or better by Standard & Poor's, VMIG-1 or better by Moody's Investors Service, Inc. or F-1 or better by Fitch Ratings. In the event of the adoption of any new or changed ratings system or a "global" rating scale by any such Rating Agency, the ratings categories shall reflect such new ratings as determined by the City which most closely approximates the ratings currently in effect.

Subordinated Indebtedness shall mean an evidence of indebtedness referred to in, and complying with the provisions of, Section 512, and shall include, without limitation, Subordinated Commercial Paper Notes, Subordinated Hedging Contract Obligations, Subordinated Medium-Term Notes and Subordinated Reimbursement Obligations.

(c) Section 101 of the General Bond Resolution is hereby amended by adding the following definitions in alphabetical order within that section:

Bond Counsel means a firm of attorneys which is nationally recognized as being experienced in matters relating to the validity of, and the state and federal income tax treatment of interest on, obligations of states and their political subdivisions and whose opinions are generally accepted by purchasers of municipal bonds, as selected by the City.

Business Day shall mean unless otherwise provided by a Supplemental Resolution with respect to a particular Series of Bonds, means a day on which banking business is transacted in the city or cities in which the Trustee and Paying Agent have their respective designated corporate trust offices, on which the New York Stock Exchange is open and on which the City is open to transact business.

City Attorney shall mean the City Attorney to the City, the Utilities Attorney or such other assistant City Attorney.

Clerk shall mean the Clerk of the City or any Deputy Clerk.

Connection Fees shall mean all capital expansion fees, system improvement fees or other similar fees and charges, including, without limitation, impact fees and charges for "allowance for funds prudently invested," separately imposed by the City as a nonuser capacity charge for the proportionate share of the cost of expanding, oversizing, separating or constructing new additions to the System, and any income from the investment of funds derived therefrom.

Hedge Charges shall have the meaning given in Section 209 hereof.

Mayor shall mean the Mayor of the City or the Mayor Pro-Tem or such other member of the Commission delegated to act on behalf of the Mayor by the Commission.

(d) Paragraph 1(1) of Section 202 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

(1) An Opinion of Counsel of recognized standing in the field of law relating to municipal bonds to the effect that (i) the City has the right and power under the Act as amended to the date of such Opinion to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the City, is in full force and effect and is valid and binding upon the City in accordance with its terms, and no other authorization for the Resolution is required; (ii) the Resolution creates the valid pledge which it purports to create of, the Trust Estate and, if such Series of Bonds shall be an Additionally Secured Series, the separate subaccount in the Debt Service Reserve Account in the Debt Service Fund established for the benefit of such Bonds, subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution; and (iii) the Bonds of such Series are valid and binding obligations of the City as provided in the Resolution and entitled to the benefits of the Resolution and of the Act as amended to the date of such Opinion, and such Bonds have

been duly and validly authorized and issued in accordance with law, including the Act as amended to the date of such Opinion, and in accordance with the Resolution. Such opinion may take exception for limitations imposed by or resulting from bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally and may state that no opinion is being rendered as to the availability of any particular remedy. No opinion need be expressed as to the priority of the pledge and assignment created by the Resolution over the rights of other persons in the Trust Estate and, if applicable, such separate subaccount in the Debt Service Reserve Account in the Debt Service Fund and such other customarily accepted exceptions and reliance provisions. The opinion may be limited to this Resolution, as amended, and the Supplemental Resolution applicable to the proposed Bonds;

(e) Section 209 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 209. Provisions Concerning Qualified Hedging Contracts. The City may, to the extent from time to time permitted pursuant to law, enter into Qualified Hedging Contracts. The City's obligation to pay any amount under any Qualified Hedging Contract (excluding Hedge Charges) may be secured by a pledge and assignment of the Trust Estate on a parity with the pledge and assignment created by paragraph 1 of Section 501 to secure the Bonds (a "Parity Hedging Contract Obligation"), or may be secured by a pledge and assignment of the Subordinated Indebtedness Fund which pledge and assignment shall be subordinate in all respects to the pledge of the Trust Estate created by the Resolution in favor of the Bonds but on a parity with the pledge and assignment securing Subordinated Indebtedness (a "Subordinated Hedging Contract Obligation"), as determined by the City. Notwithstanding the foregoing, Parity Hedging Contract Obligations shall not include ~~any~~ payments of any termination payments owed to a counterparty to a Qualified Hedging Contract ("Hedge Charges"), which payments shall be Subordinated Hedging Contract Obligations. To the extent not otherwise determined in the calculation of Debt Service, in determining the payments required to be made by or to be received by the City on the variable rate component of a Variable Rate Hedging Obligation, to the extent applicable, the City may apply the methodology used in connection with the Certified Interest Rate to determine amounts payable by or to the City under a Qualified Hedging Contract or may use such other reasonable assumptions as by the City, upon advice of its Independent Consultants, may deem appropriate.

(f) Paragraph 2 Section 305 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

2. The City and each Fiduciary may deem and treat the person in whose name any Bond shall be registered upon the books of the City as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and Redemption Price, if any, of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon such owner's order shall be valid and effectual to satisfy and

discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor any Fiduciary shall be affected by any notice to the contrary. The City agrees to indemnify and save ~~each Fiduciary~~ the Trustee harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence under the Resolution, in so treating such registered owner.

(g) Section 405 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 405. Notice of Redemption. When the Trustee shall receive notice from the City of its election or direction to redeem Bonds pursuant to Section 402, and when redemption of Bonds is authorized or required pursuant to Section 403, the Trustee shall give notice, in the name of the City, of the redemption of such Bonds, which notice shall specify the Series and maturities and interest rates within maturities, if any, of the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if fewer than all of the Bonds of any like Series and maturity and interest rate within maturities are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount thereof to be redeemed and such notice may be conditioned upon the occurrence or non-occurrence of certain events. Such notice shall further state that on such date, unless such notice has been rescinded or has ceased to be in effect in accordance with the terms thereof, there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice shall be mailed by first class mail, postage prepaid, or electronically, not less than 30 nor more than 60 days before the redemption date, to the registered owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books. Failure to give notice by mail, or any defect in such notice, shall not affect the validity of the proceedings for the redemption of Bonds. Notwithstanding the foregoing, a Supplemental Resolution authorizing the Bonds of a Series may specify a different method for the giving of a notice of redemption, or a different time by which such notice shall be given.

(h) Section 406 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 406. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 405 or in the Supplemental Resolution authorizing the Bonds of a Series, on the redemption date so designated, (a) unless such notice shall have been revoked or shall cease to be in effect in accordance with the terms thereof and (b) if there shall be sufficient moneys available therefor, then the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, if

presentation and surrender shall be required hereby, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price, plus interest accrued and unpaid to the redemption date. If there shall be ~~drawn~~called for redemption less than all of a Bond, if presentation and surrender thereof are required thereby, the City shall execute and the Trustee shall authenticate and the Paying Agent shall deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of like Series, maturity, interest rate and redemption provisions in any of the authorized denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series, maturity or interest rate to be redeemed, together with interest to the redemption date, shall be held by the Paying Agents so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid and has not been rescinded or ceased to be in effect, then, from and after the redemption date interest on the Bonds or portions thereof of such Series, maturity and interest rate so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

(i) Section 407 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 407. ~~Limitation on City's Ability to Condition or Revoke Notice of Redemption.~~ ~~Notwithstanding anything to the contrary contained in this Article IV, in the case of any redemption of any Bonds issued prior to the Effective Date, the City shall not be entitled to cause the notice of the redemption thereof to be conditional, nor to revoke (or cause to be revoked) any such notice once given. Reserved.~~

(j) Paragraph 2 of Section 502 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

2. In the event that the City shall so determine, there may be established by Supplemental Resolution one or more other funds that may be required from time to time by Federal, State or local regulations, by contractual obligations, or in order to operate the System in accordance with Prudent Utility Practice, so as to provide, among other things, for costs of decommissioning, retirement or disposal of facilities, for costs of nuclear waste storage and disposal including the cost of disposal of spent fuel, for maintaining financial responsibility for the closure of hazardous waste storage facilities, or for self insurance. Such funds, if any, shall be held in trust by the City for the sole purpose set forth in the Supplemental Resolution establishing such funds. Deposits into such funds shall be made only after all required deposits have been made into the funds established by paragraph 1 of this Section 502 and shall be made in amounts set forth in the Supplemental Resolution. Deposits into any funds established pursuant to this paragraph shall be made only with amounts defined by the Resolution to be available for use by the City for any lawful purpose and shall neither be governed by the provisions of the Resolution nor considered to be a part of the Trust Estate. The City may establish

separate accounts in the funds and accounts established in paragraph 1 of this Section pursuant to a Supplemental Resolution adopted in connection with the issuance of Bonds.

(k) Paragraphs 1, 3 and 4 of Section 503 of the General Bond Resolution are hereby amended in their entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 503. Construction Fund. 1. There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Resolution and any Supplemental Resolutions, and there may be paid into the Construction Fund, at the option of the City, any moneys received for or in connection with the System by the City from any other source, unless required to be otherwise applied as provided by the Resolution. Amounts in the Construction Fund shall be applied to the Cost of Acquisition and Construction of the System in the manner provided in this Section, as the same may be modified by Supplemental Resolution pertaining to a Series of Bonds.

3. Notwithstanding any of the other provisions of this Section, to the extent that other moneys are not available therefor, amounts in the Construction Fund shall be applied to the payment of principal of and interest on Bonds ~~when due~~ from which such moneys were derived.

4. Amounts credited to the Construction Fund which the City at any time determines to be in excess of the amounts required for the purposes thereof shall be transferred to the Debt Service Reserve Account in the Debt Service Fund, if and to the extent necessary to make the amount in any separate subaccount therein equal to the Debt Service Reserve Requirement related thereto (or, if such excess shall be less than the amount necessary to make up deficiencies with respect to all of the separate subaccounts in the Debt Service Reserve Account, then such excess shall be applied ratably, in proportion to the deficiency in each such subaccount), and any balance of such excess shall, at the option of the City, be transferred to the Utilities Plant Improvement Fund for application to any of the purposes thereof; provided, however, such application shall be made only to the extent the uses thereof will not, in the opinion of Bond Counsel, in and of itself, result in interest on any tax-exempt Bonds to be includable in the gross income of holders thereof for Federal income tax purposes.

(l) Paragraphs 1(4) and 1(5) of Section 505 of the General Bond Resolution are hereby amended in their entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

(4) The City shall next forward to the Trustee, for deposit from Revenues in the Subordinated Indebtedness Fund, the amount, if any, as shall be required to be deposited therein in the then current month to pay principal or sinking fund installments of and premiums, if any, and interest and other amounts due, on each issue of Subordinated Indebtedness coming due in such month, whether as a result of maturity or prior call for redemption, and to provide reserves therefor, as required by the Supplemental Resolution authorizing such issue of Subordinated Indebtedness; and

(5) The City shall next pay into the Utilities Plant Improvement Fund such amount as it shall deem appropriate provided that for each Fiscal Year deposits into such Fund shall be at least equal to one-half (1/2) of the Net Revenues ~~including interest income, but excluding other non-operating revenues and expenses,~~ during the immediately preceding Fiscal Year, less the sum of (i) Aggregate Debt Service during the immediately preceding Fiscal Year and (ii) interest and principal paid during the immediately preceding Fiscal Year with respect to all Subordinated Indebtedness payable out of Revenues under this Resolution.

(m) Paragraphs 1, 2 and 4 of Section 508 of the General Bond Resolution are hereby amended in their entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 508. Debt Service Fund – Debt Service Reserve Account. 1.

There shall be established in the Debt Service Reserve Account in the Debt Service Fund one or more separate subaccounts, each of which subaccounts shall be for the benefit and security of one or more Series of Bonds, in the manner and to the extent provided in the Supplemental Resolution establishing each such subaccount. ~~The Prior Bonds shall not be secured by any such separate subaccounts.~~ If on the last ~~business day~~ Business Day of any month the amount in the Debt Service Account shall be less than the amount required to be in such Account pursuant to clause (3) of paragraph 1 of Section 505, the Trustee shall apply amounts from each separate subaccount in the Debt Service Reserve Account to the extent necessary to cure the deficiency.

2. Whenever the moneys on deposit in any subaccount established in the Debt Service Reserve Account shall exceed the Debt Service Reserve Requirement related thereto, after giving effect to any surety bond, insurance policy, letter of credit, or other similar obligation deposited in such Account pursuant to paragraph 4 of this Section 508, such excess shall upon the request of the City, or pursuant to a Supplemental Resolution, be transferred to the City and credited upon the City's receipt thereof to make up any deficiencies in the Subordinated Indebtedness Fund and the Utilities Plant Improvement Fund, in that order. Any balance of such excess shall be credited to the Revenue Fund.

4. In lieu of the required transfers of moneys to the Debt Service Reserve Account, the City may cause to be deposited into any subaccount established in the Debt Service Reserve Account for the benefit of the holders of the Bonds of each Additionally Secured Series secured thereby an irrevocable surety bond, an insurance policy, a letter of credit or any other similar obligation (each, a "Reserve Policy") in an amount equal to the difference between the Debt Service Reserve Requirement related thereto and the sums of moneys or value of Investment Securities then on deposit in such subaccount, if any. ~~The surety bond, insurance policy, letter of credit or other similar obligation~~ Reserve Policy shall be payable (upon the giving of notice as required thereunder) on any due date on which moneys will be required to be withdrawn from such subaccount and applied to the payment of a Principal Installment of or interest on any Bonds of each Additionally Secured Series secured thereby and such withdrawal cannot be met by amounts on deposit in such subaccount. The entity providing any ~~such surety bond, insurance policy letter of credit or similar obligation~~ shall Reserve Policy shall meet the qualifications set

forth in the Supplemental Resolution establishing such subaccount. If a disbursement is made pursuant to a ~~surety bond, an insurance policy, a letter of credit or any other similar obligation~~Reserve Policy provided pursuant to this subsection, the City shall ~~within twelve months~~ either (i) reinstate the maximum limits of such ~~surety bond, insurance policy, letter of credit or other similar obligation~~Reserve Policy or (ii) deposit into the subaccount established in the Debt Service Reserve Account funds in the amount of the disbursement made under such ~~surety bond, insurance policy, letter of credit or other similar obligation~~Reserve Policy, or a combination of such alternatives, as shall provide that the amount in such subaccount equals the Debt Service Reserve Requirement related thereto, in each case in the manner and to the extent required by the Supplemental Resolutions applicable thereto. In the event that (X) the rating attributable to any insurer ~~providing any surety bond, insurance policy or other similar obligation or any~~or bank or trust company providing ~~any letter of credit or other similar obligation~~a Reserve Policy held as above provided in any separate subaccount in the Debt Service Reserve Account ~~shall~~ fall below that required as above provided, ~~the City shall within twelve months~~by the Supplemental Resolution applicable thereto, or (Y) shall terminate prior to the maturity of the Series of Bond secured thereby, the City shall either (i) replace such ~~surety bond, insurance policy, letter of credit or other similar obligation~~ with a ~~surety bond, insurance policy, letter of credit or other similar obligation~~ which shall meet the ~~above provided~~Reserve Policy with a the rating attributable to any insurer or bank or trust company providing a Reserve Policy held as above provided in any separate subaccount in the Debt Service Reserve Account meeting the requirements applicable thereto or (ii) deposit into such separate subaccount in the Debt Service Reserve Account sufficient funds, or a combination of such alternatives, as shall provide that the amount in such separate subaccount in the Debt Service Reserve Account equals the Debt Service Reserve Requirement related thereto, in each case in the manner and to the extent required by the Supplemental Resolution applicable thereto.

(n) A new Paragraphs 6 is added at the end of Section 508 of the General Bond Resolution to read as follows:

6. If on any valuation date the amount on deposit in the Debt Service Reserve Account or any subaccount therein is less than 100% of the Debt Service Reserve Requirement as a result of a decline in the market value of investments in the Debt Service Reserve Account or any subaccount therein, the City shall deposit in the Debt Service Reserve Account or any such subaccount therein the amount necessary to restore the amount on deposit therein to the Debt Service Reserve Requirement (i) within not more than 90 days following the date of such valuation, or (ii) with respect to a subaccount in the Debt Service Reserve Account created by a Supplemental Resolution, as otherwise provided by such Supplemental Resolution.

(o) Paragraphs 1 and 3 of Section 510 of the General Bond Resolution are hereby amended in their entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 510. Utilities Plant Improvement Fund. 1. Amounts deposited in the Utilities Plant Improvement Fund shall be applied to (i) payments into the Debt Service Account or into any separate subaccount in the Debt Service Reserve Account in

the Debt Service Fund; (ii) payments for the cost of extensions, enlargements or additions to, or the replacement of capital assets of the System and emergency repairs thereto; (iii) payments into the Subordinated Indebtedness Fund; (iv) purchasing ~~or~~ redeeming or other costs associated with Bonds and/or Subordinated Indebtedness; provided, however, that in the case of the purchase of Bonds and/or Subordinated Indebtedness, the Bonds and/or Subordinated Indebtedness shall be purchased at a price not to exceed the principal amount and Redemption Price which would be applicable if the Bonds and/or Subordinated Indebtedness were redeemed at the time of the intended purchase or as soon thereafter as such Bonds and/or Subordinated Indebtedness shall be subject to redemption; or (iv) otherwise to provide for the payment of the Bonds and/or Subordinated Indebtedness. If at any time amounts on deposit in the Utilities Plant Improvement Fund are determined by the City to be in excess of the requirements thereof, and other moneys are not available for the payment of Operation and Maintenance Expenses, then such excess may be used for the payment of Operation and Maintenance Expenses.

3. No payments shall be made from the Utilities Plant Improvement Fund if and to the extent that the proceeds of insurance or other moneys recoverable as the result of damage, if any, are available and have been received to pay the costs otherwise payable from such Fund.

(p) The second paragraph of Section 603 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned on any moneys or investments in such Funds and Accounts, other than the Construction Fund, to the extent the balance in such fund or account exceeds the minimum amount required to be on deposit therein, shall be paid into the Revenue Fund; provided, however, that if the City so directs, such income earned on moneys or investments in any Fund or Account, or any portion thereof, shall be paid into the Construction Fund. Interest earned on any moneys or investments in the Construction Fund shall be held in such Fund for application as provided in Section 503 or, if so directed by the City, paid into the Revenue Fund and applied for such purpose that in the opinion of Bond Counsel will not, in and of itself, result in interest on any tax-exempt Bonds to be includable in the gross income of the holders thereof for Federal income tax purposes.

(q) Section 703 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 703. Offices for Servicing Bonds. Except as may be otherwise provided in any Supplemental Resolution with respect to any Series of Bonds, to the extent any Bonds (other than Parity Reimbursement Obligations) Outstanding are not held in Book-Entry Form, the City shall at all times maintain one or more agencies in New York, New York where Bonds may be presented for payment and shall at all times maintain one or more agencies in New York, New York where Bonds may be presented

for registration, transfer or exchange. The City shall at all times maintain one or more agencies in New York, New York where notices, demands and other documents may be served upon the City in respect of the Bonds or of the Resolution. The City hereby appoints the Trustee, initially, as the Bond Registrar to maintain the agency for the registration, transfer or exchange of Bonds, and for the service upon the City of such notices, demands and other documents, and the Trustee or any successor Bond Registrar shall continuously maintain or make arrangements to provide such services. The City hereby appoints the Paying Agents in such cities as its respective agents to maintain such agencies for the payment or redemption of Bonds.

(r) Paragraphs 1, 2(1) and 2(2) of Section 707 of the General Bond Resolution are hereby amended in their entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 707. Creation of Liens; Sale and Lease of Property. 1. The City shall not issue any bonds, notes, debentures, or other evidences of indebtedness of similar nature, other than the Bonds and Parity Hedging Contract Obligations, payable out of or secured by a security interest in or pledge or assignment of the Trust Estate, any separate subaccount in the Debt Service Reserve Account in the Debt Service Fund or other moneys, securities or funds held or set aside by the City or by the Fiduciaries under the Resolution and shall not create or cause to be created any lien or charge on the Trust Estate, any separate subaccount in the Debt Service Reserve Account in the Debt Service Fund or such moneys, securities or funds; provided, however, that nothing contained in the Resolution shall prevent the City from issuing, if and to the extent permitted by law, (i) evidences of indebtedness (a) payable out of moneys in the Construction Fund as part of the Cost of Acquisition and Construction of the System, or (b) payable out of, or secured by a security interest in or pledge or assignment of, Revenues to be received on and after such date as the pledge of the Revenues provided in the Resolution shall be discharged and satisfied as provided in Section 1201, ~~or~~ (ii) Subordinated Indebtedness, and (iii) any other indebtedness which contains an express statement that such obligations are junior and subordinate in all respects to the Bonds issued hereunder as to lien on, source of and security for payment from Revenues and the Trust Estate.

2. No part of the System shall be sold, leased, mortgaged or otherwise disposed of, except as follows:

(1) The City may sell or exchange at any time and from time to time any property or facilities constituting part of the System only if it shall determine that the sale or exchange of such property or facilities will not impair the ability of the City to comply during the current or any future Fiscal Year with the provisions of Section 710. The proceeds of any such sale or exchange not used to acquire other property necessary or desirable for the safe or efficient operation of the System shall forthwith be deposited in the Utilities Plant Improvement Fund or shall be deposited into the Debt Service Fund and used to provide for the payment of principal of and interest on a Series of Bonds as such Bonds shall become due or for the redemption thereof or shall be applied for such other purposes that in the opinion of Bond Counsel will not, in and of itself, result in interest on any tax-exempt Bonds to be includable in the gross income of the holders thereof for Federal income tax purposes; and

(2) In addition to any agreement currently in effect to which the City is a party relating to the ownership or operation of any part of the System or the use of the output thereof, the City may lease or make contracts or grant licenses for the operation of, or make arrangements for the use of, or grant easements or other rights with respect to, any part of the System, provided that any such lease, contract, license, arrangement, easement or right (i) does not impede the operation by the City or its agents of the System and (ii) does not in any manner materially impair or adversely affect the rights or security of the Bondholders under the Resolution; and provided, further, that if the book value of the property to be covered by any such lease, contract, license, arrangement, easement or other right is in excess of 1% of the book value of the total assets of the System at such time, the City shall first file with the Trustee a certificate of an Authorized Officer of the City setting forth a determination of the Commission that the action of the City with respect thereto does not result in a breach of the conditions under this clause (2). Any payments received by the City under or in connection with any such lease, contract, license, arrangement, easement or right in respect of the System or any part thereof shall constitute Revenues;

(s) Section 716 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 716. Governmental Reorganization. Notwithstanding any other provisions of this Resolution, including without limitation, paragraph 2 of Section 707 and Section 715 hereof, this Resolution shall not prevent any lawful reorganization of the governmental structure of the City, including a merger or consolidation of the City with another public body or the transfer of a public function of the City 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 City under this Resolution and pertaining to all Bonds. Except as permitted in this Section ~~717, 716~~, the City shall not cause or permit its corporate existence to be abolished and shall resist all attempts to contract or diminish the territorial limits of the City or the service area of the System. This Resolution may be amended to revise the definitions of the City and the Commission to reflect such governmental reorganization and this Resolution may be amended in any other respect as determined by the City will not adversely affect the rights of the Holders of the Bonds in order to effectuate such reorganization. The governmental reorganization hereby expressly includes amendments necessary if and to the extent that a referendum held pursuant to in accordance with House Bill No. 759 or such other actions of the City, approves amending the City's Charter, to effectuate a reorganization of the management and operation of the City.

(t) Section 905 of the General Bond Resolution is hereby amended in its entirety to read as follows (with underlining reflecting inserts and strikethroughs reflecting deletions from the original text):

SECTION 905. Compensation. Prior to its appointment, each Fiduciary shall file with the City a negotiated schedule of anticipated fees and charges for services to be

performed pursuant to the Resolution. The City shall pay to each Fiduciary from time to time pursuant to such schedule reasonable compensation for all services rendered under the Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and other persons not regularly in its employ, incurred in and about the performance of its powers and duties under the Resolution, and each Fiduciary shall have a lien therefor on any and all funds at any time held by it under the Resolution. ~~Subject to the provisions of Section 903, the City further agrees to indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence, misconduct or default.~~

(u) A new paragraph is added at the end of Section 1201 of the General Bond Resolution to read as follows:

10. Notwithstanding anything to the contrary herein, amounts required to be deposited with the Trustee for the defeasance of Bonds may be deposited with a Depository who has agreed to hold such amounts in escrow for the benefit of such defeased Bonds.

ARTICLE III MISCELLANEOUS

Section 3.01 Further Authority. The General Manager, the Chief Financial Officer for Utilities and each of their respective designees (each an "Authorized Officer" and collectively, the "Authorized Officers") are hereby authorized deliver such notices, to execute and deliver any and all papers and instruments and to do all other acts and things required as a condition precedent to the effectiveness of the Amendments.

Section 3.02 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, 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.

Section 3.03 Effective Date. This Amendatory Resolution and the amendments to the General Bond Resolution set forth herein shall be fully effective immediately upon satisfaction of the conditions set forth in Section 2.01 and the filing of a copy thereof certified by an Authorized Officer of the City with the Trustee.

The foregoing Resolution was duly adopted on this 21st day of September, 2017.

(SEAL)

CITY OF GAINESVILLE, FLORIDA

By: _____
Mayor

ATTEST:

By: _____
Clerk of the Commission

APPROVAL AS TO FORM AND LEGALITY:

By: _____
Office of the City Attorney

#52015784_v5
136433-12