

**RESOLUTION NO. 140524
PASSED DECEMBER 4, 2014**

A RESOLUTION INCORPORATING BY REFERENCE AND ADOPTING, AND AUTHORIZING THE EXECUTION AND DELIVERY OF, A TWENTY-SIXTH SUPPLEMENTAL UTILITIES SYSTEM REVENUE BOND RESOLUTION FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF (1) NOT TO EXCEED \$46,000,000 OF THE CITY OF GAINESVILLE, FLORIDA'S UTILITIES SYSTEM REVENUE BONDS, 2014 SERIES A IN ORDER TO PROVIDE MONEYS FOR THE PAYMENT OF A PORTION OF THE COST OF ACQUISITION AND CONSTRUCTION OF THE CITY'S COMBINED UTILITIES SYSTEM, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH AND (2) NOT TO EXCEED \$37,000,000 OF THE CITY'S UTILITIES SYSTEM REVENUE BONDS, 2014 SERIES B TO PROVIDE A PORTION OF THE MONEYS NECESSARY TO REFUND CERTAIN OF THE CITY'S OUTSTANDING UTILITIES SYSTEM REVENUE BONDS, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; APPROVING THE NEGOTIATED SALE OF THE 2014 SERIES A AND B BONDS AND APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF A CONTRACT OF PURCHASE WITH RESPECT THERETO, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF A CONTINUING DISCLOSURE CERTIFICATE WITH RESPECT TO THE 2014 SERIES A AND B BONDS; APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF AN ESCROW DEPOSIT AGREEMENT RELATING TO THE 2014 SERIES B BONDS; AUTHORIZING, WITH RESPECT TO THE 2014 SERIES B BONDS, THE DEPOSIT OF BOND PROCEEDS AND CERTAIN OTHER AMOUNTS INTO THE ESCROW ACCOUNT TO BE ESTABLISHED PURSUANT TO THE ESCROW DEPOSIT AGREEMENT AND THE INVESTMENT OF SUCH MONEYS; AUTHORIZING THE AUTHENTICATION AND DELIVERY OF THE 2014 SERIES A AND B BONDS; APPROVING THE FORM AND USE OF THE PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT RELATING TO THE 2014 SERIES A AND B BONDS AND AUTHORIZING THE EXECUTION AND DELIVERY OF SAID OFFICIAL STATEMENT; AUTHORIZING THE REGISTRATION OR QUALIFICATION OF THE 2014 SERIES A AND B BONDS UNDER THE BLUE SKY LAWS OF VARIOUS STATES; AUTHORIZING CERTAIN CITY OFFICIALS TO TAKE OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE 2014 SERIES A AND B BONDS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. Authority for this Resolution. This resolution is adopted pursuant to the provisions of the Charter of the City, Chapter 90-394, Laws of Florida, 1990, as

amended, Chapter 166, Part II, Florida Statutes, as amended, and other applicable provisions of law.

SECTION 2. Definitions. Unless the context otherwise requires, the terms defined in this section shall have the meanings specified in this section. Reference is made to the Bond Resolution hereinafter referred to and to the Twenty-Sixth Supplemental Resolution herein authorized, and attached hereto, for definitions of terms used in this resolution which are not defined in this section. Words importing a singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations. All references herein to the “General Manager for Utilities” and the “Chief Financial Officer, Utilities” of the City shall refer to the person serving in such capacity at the relevant time, and shall be deemed to include any person serving in such capacity on an “interim” or “acting” basis.

A. “Bond Resolution” shall mean the Utilities System Revenue Bond Resolution of the City adopted on June 6, 1983, as heretofore amended, restated and supplemented.

B. “City” shall mean the City of Gainesville, Florida.

C. “Continuing Disclosure Certificate” shall mean the Continuing Disclosure Certificate to be executed in connection with the issuance of the 2014 Series A and B Bonds, relating to the provision of certain continuing disclosure information with respect to the System and such Bonds.

D. “Contract of Purchase” shall mean the Contract of Purchase relating to the 2014 Series A and B Bonds to be entered into between the City and the Underwriters.

E. “Escrow Deposit Agreement” shall mean the Escrow Deposit Agreement Relating to 2014 Series B Bonds, dated as of December 1, 2014, to be entered into between the City and U.S. Bank National Association, as Trustee.

F. “Official Statement” shall mean the Official Statement of the City relating to the 2014 Series A and B Bonds referred to in Section 11 hereof.

G. “Preliminary Official Statement” shall mean the Preliminary Official Statement of the City relating to the 2014 Series A and B Bonds referred to in Section 11 hereof.

H. “Rule 15c2-12” shall mean Rule 15c2-12, as amended, promulgated by the United States Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended.

I. “Twenty-Sixth Supplemental Resolution” shall mean the Twenty-Sixth Supplemental Utilities System Revenue Bond Resolution of the City, which is attached hereto as Exhibit B and incorporated herein by reference for all purposes of this resolution.

J. “Underwriters” shall mean the Underwriters named in the Contract of Purchase.

K. “2014 Series A and B Bonds” shall mean the 2014 Series A Bonds and the 2014 Series B Bonds, collectively.

L. “2014 Series A Bonds” shall mean the City’s Utilities System Revenue Bonds, 2014 Series A, authorized by Section 5(A) of this resolution and Article II of the Twenty-Sixth Supplemental Resolution.

M. “2014 Series B Bonds” shall mean the City’s Utilities System Revenue Bonds, 2014 Series B, authorized by Section 5(B) of this resolution and Article III of the Twenty-Sixth Supplemental Resolution.

SECTION 3. Findings. It is hereby ascertained, determined and declared

that:

A. Pursuant to the Bond Resolution, the City may issue Bonds from time to time for the purpose, among others, of paying all or a portion of the Cost of Acquisition and Construction of the System.

B. The City's capital improvement program for the System contemplates the issuance of Bonds from time to time to finance a portion of the Cost of Acquisition and Construction of the System.

C. The City deems it necessary and in its best interests to issue and sell the 2014 Series A Bonds for the purpose of providing funds for the payment of a portion of the Cost of Acquisition and Construction of the System.

D. Pursuant to the Bond Resolution, the City may issue Refunding Bonds from time to time for the purpose of refunding any Bonds.

E. The City heretofore has issued certain Bonds for the purpose of financing and refinancing a portion of the Cost of Acquisition and Construction of the System. The City deems it necessary and in its best interests to refund the Refunded Bonds (as such term is defined in the Twenty-Sixth Supplemental Resolution) with proceeds of the 2014 Series B Bonds. The refunding of the Refunded Bonds as aforesaid will be advantageous to the City, by effecting certain economic benefits to the System, as follows: (1) the refunding of the Refunded 2005 Bonds and the Additional Refunded Bonds (as such terms are defined in the Twenty-Sixth Supplemental Resolution), if any, will achieve a reduction in interest costs for the City and (2) the refunding of the Refunded 2008 Bonds (as such term is defined in the Twenty-Sixth Supplemental Resolution) will enable the City (a) to replace taxable debt with tax-exempt debt

and (b) in connection therewith, to extend the average life of such debt to more closely correspond to the lives of the assets financed thereby.

F. The City deems it necessary and in its best interests to issue and sell the 2014 Series B Bonds for the purpose of providing a portion of the funds required to refund the Refunded Bonds.

G. Contemporaneously with the issuance of the 2014 Series B Bonds, (1) a portion of the proceeds of such Bonds and (2) certain other available moneys of the City, consisting of certain moneys on deposit in the Debt Service Account in the Debt Service Fund, shall be irrevocably deposited in escrow pursuant to the Escrow Deposit Agreement. Such proceeds and such moneys shall be invested pursuant to said Escrow Deposit Agreement in Defeasance Securities (as permitted by Section 1201 of the Bond Resolution), the principal of and interest on which when due, together with any uninvested moneys held pursuant to the Escrow Deposit Agreement, will be sufficient for the purpose of providing for payment of all outstanding principal, interest and redemption premiums, if any, in respect of the Refunded 2005 Bonds and the Additional Refunded Bonds, if any, as such Refunded 2005 Bonds and such Additional Refunded Bonds, if any, are redeemed prior to maturity.

H. Paragraph (b)(5) of Rule 15c2-12 provides that, except as otherwise permitted thereby, a broker, dealer or municipal securities dealer shall not purchase or sell municipal securities in the primary offering thereof unless such broker, dealer or municipal securities dealer has reasonably determined that the issuer of such securities or certain other persons has undertaken, in a written agreement or contract for the benefit of the holders of such securities, to provide certain continuing disclosure information specified in said Rule. Accordingly, the City deems it necessary and in its best interests to authorize the execution and delivery of, and the performance of the City's obligations under, a Continuing Disclosure

Certificate with respect to the 2014 Series A and B Bonds, in order to assist the Underwriters in complying with Rule 15c2-12.

I. The complexity of the structuring of the 2014 Series A and B Bonds and current conditions in the market for obligations such as the 2014 Series A and B Bonds, as described in a letter from the City's financial advisor, dated December 4, 2014 and attached hereto as Exhibit A, make it necessary and in the best interests of the City that the 2014 Series A and B Bonds be sold on a negotiated basis.

SECTION 4. Adoption of Twenty-Sixth Supplemental Resolution. The Twenty-Sixth Supplemental Resolution, attached hereto as Exhibit B, is hereby approved and adopted. Such resolution shall be executed and delivered as provided in Section 13 hereof.

SECTION 5. Authorization of the Issuance, Sale, Execution and Delivery of the 2014 Series A and B Bonds; Delegation of Authority to Determine Certain Matters in Connection Therewith. A. There are hereby authorized the issuance and sale of a Series of Bonds designated as the "Utilities System Revenue Bonds, 2014 Series A", for the purpose of providing funds for the payment of a portion of the Cost of Acquisition and Construction of the System. The 2014 Series A Bonds shall be issued pursuant to the Bond Resolution in an aggregate principal amount not to exceed \$46,000,000. The actual aggregate principal amount of the 2014 Series A Bonds, the respective dates on which the 2014 Series A Bonds shall mature, the respective principal amounts of the 2014 Series A Bonds maturing on each such date, the respective rate or rates of interest to be borne by the 2014 Series A Bonds maturing on each such date and, if any 2014 Series A Bonds maturing on a particular date and bearing interest at a particular rate are to be issued as term bonds subject to mandatory redemption to satisfy Sinking Fund Installments, the due dates and amounts of such Sinking Fund Installments shall be determined as provided in Section 2.03 of the Twenty-Sixth Supplemental Resolution; *provided,*

however, that (a) the latest maturity date for the 2014 Series A Bonds shall be not later than October 1, 2044, (b) the maximum rate of interest to be borne by the 2014 Series A Bonds maturing on any date shall not exceed 5.50% per annum and (c) the earliest date on which the 2014 Series A Bonds may be redeemed at the election of the City shall be not later than October 1, 2034 and the highest redemption price at which the 2014 Series A Bonds may be so redeemed shall be not greater than 100% of the principal amount thereof, plus accrued interest to the date of redemption.

B. There are hereby authorized the issuance and sale of a Series of Refunding Bonds designated as the “Utilities System Revenue Bonds, 2014 Series B”, for the purpose of providing a portion of the moneys required to refund the Refunded Bonds. The 2014 Series B Bonds shall be issued pursuant to the Bond Resolution in an aggregate principal amount not to exceed \$37,000,000. The actual aggregate principal amount of the 2014 Series B Bonds, the respective dates on which the 2014 Series B Bonds shall mature, the respective principal amounts of the 2014 Series B Bonds maturing on each such date, the respective rate or rates of interest to be borne by the 2014 Series B Bonds maturing on each such date and, if any 2014 Series B Bonds maturing on a particular date and bearing interest at a particular rate are to be issued as term bonds subject to mandatory redemption to satisfy Sinking Fund Installments, the due dates and amounts of such Sinking Fund Installments shall be determined as provided in Section 3.03 of the Twenty-Sixth Supplemental Resolution; *provided, however*, that (a) the latest maturity date for the 2014 Series B Bonds shall be not later than October 1, 2044, (b) the maximum rate of interest to be borne by the 2014 Series B Bonds maturing on any date shall not exceed 5.50% per annum and (c) the earliest date on which the 2014 Series B Bonds may be redeemed at the election of the City shall be not later than October 1, 2034 and the highest

redemption price at which the 2014 Series B Bonds may be so redeemed shall be not greater than 100% of the principal amount thereof, plus accrued interest to the date of redemption.

C. The 2014 Series A and B Bonds shall be executed and delivered as provided in Section 13 hereof.

SECTION 6. Authorization and Approval of the Negotiated Sale of the 2014 Series A and B Bonds and Execution of the Contract of Purchase; Delegation of Authority to Determine Certain Matters in Connection Therewith. The terms and conditions set forth in the Contract of Purchase between the City and the Underwriters, providing for the negotiated sale and purchase of the 2014 Series A and B Bonds, in substantially the form of the contract attached hereto as Exhibit C, are hereby approved. The purchase prices of the 2014 Series A Bonds and the 2014 Series B Bonds to be paid by the Underwriters pursuant to the Contract of Purchase shall be determined as provided in Section 2.03 and 3.03 of the Twenty-Sixth Supplemental Resolution, respectively; *provided, however*, that the true interest cost for the 2014 Series A Bonds shall not exceed 5.25% and the true interest cost for the 2014 Series B Bonds shall not exceed 5.25%. The Contract of Purchase shall be executed and delivered as provided in Section 13 hereof; *provided, however*, that at or prior to the time of the execution and delivery of the Contract of Purchase, the City shall have received from J.P. Morgan Securities LLC, as representative of the Underwriters, the disclosure statement required pursuant to Section 218.385(6), Florida Statutes.

SECTION 7. Approval of the Continuing Disclosure Certificate. The terms and conditions set forth in the Continuing Disclosure Certificate, in substantially the form of the certificate attached as Appendix G to the draft of the Preliminary Official Statement attached hereto as Exhibit D, are hereby approved. The Continuing Disclosure Certificate shall be executed and delivered as provided in Section 13 hereof.

SECTION 8. Approval of the Escrow Deposit Agreement. The terms and conditions set forth in the Escrow Deposit Agreement, in substantially the form of the contract attached hereto as Exhibit E, are hereby approved. The Escrow Deposit Agreement shall be executed and delivered as provided in Section 13 hereof.

SECTION 9. Authorization of Authentication. U.S. Bank National Association, as Trustee under the Bond Resolution, is hereby requested and authorized to authenticate the 2014 Series A and B Bonds in the respective aggregate principal amounts determined as provided in Section 5 hereof and in Sections 2.03 and 3.03 of the Twenty-Sixth Supplemental Resolution, and to deliver such Bonds to or on behalf of the Underwriters, upon payment for the account of the City of the sum to be specified in the Contract of Purchase and pursuant to the terms of the Bond Resolution and the Contract of Purchase.

SECTION 10. Escrow Account Deposits; Authorization to Invest Amounts on Deposit in the Escrow Account. There shall be deposited into the Escrow Account to be established pursuant to the terms of the Escrow Deposit Agreement a portion of the proceeds of the 2014 Series B Bonds in an amount which, when combined with the moneys to be transferred to the Escrow Account from the Debt Service Account in the Debt Service Fund established pursuant to the Bond Resolution, will be equal to the amount necessary to purchase Defeasance Securities as provided in paragraph 3 of Section 1201 of the Bond Resolution the principal of and interest on which when due, together with the uninvested cash (if any) in the Escrow Account, will provide moneys which will be sufficient to pay when due the respective Redemption Prices of the Refunded 2005 Bonds and the Additional Refunded Bonds, if any, on the respective dates such Bonds are to be called for redemption and the interest to become due on such Bonds on and prior to such respective redemption dates. In that connection, the Authorized Officers of the City shall be, and hereby are, authorized to invest and reinvest such proceeds of

the 2014 Series B Bonds and other moneys, and earnings thereon, in such Defeasance Securities as any of such Authorized Officers shall determine (including, without limitation, United States Treasury Securities – State and Local Government Series (“SLGS”)), in such amounts, at such times, maturing at such times and having such rate or rates of interest as any of such Authorized Officers shall determine is necessary or desirable. In furtherance of the foregoing, each such Authorized Officer and, upon receipt of instructions from an Authorized Officer of the City, any authorized officer of the Trustee shall be, and hereby is, authorized in the name and on behalf of the City to submit subscriptions to the Bureau of Public Debt of the Department of the Treasury of the United States or any Federal Reserve Bank or Branch for the purchase of book-entry form SLGS, and to take such other actions as such person deems necessary or appropriate to effectuate such purposes.

SECTION 11. Approval of the Form and Use of the Preliminary Official Statement and the Official Statement. The Preliminary Official Statement, in substantially the form of the draft thereof attached hereto as Exhibit D, with such changes thereto as are necessary so that such Preliminary Official Statement will not contain any untrue statement of a material fact or omit to state any material fact that is required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, is hereby authorized and approved for use in connection with the offering and sale of the 2014 Series A and B Bonds, and the General Manager for Utilities or the Chief Financial Officer, Utilities of the City is hereby authorized to deem said Preliminary Official Statement final for purposes of Rule 15c2-12 and any such action previously taken is hereby ratified, confirmed and approved. The Official Statement, in substantially the form of said Preliminary Official Statement, with such changes as may be made thereto by the City, with the approval of J.P. Morgan Securities LLC, as representative of the Underwriters, under and pursuant to the terms of

the Contract of Purchase, is hereby authorized and approved for use in connection with the offering and sale of the 2014 Series A and B Bonds. Said Official Statement shall be executed as provided in Section 13 hereof.

SECTION 12. Approval With Respect to Registration or Qualification of the 2014 Series A and B Bonds Under the Blue Sky or Securities Laws of Various States.

The proper officers of the City shall be, and hereby are, authorized in the name and on behalf of the City, to take any and all actions which they deem necessary or advisable in order to effect the registration or qualification (or exemption therefrom) of the 2014 Series A and B Bonds for issue, offer, sale or trade under the Blue Sky or securities laws of any of the states of the United States of America and in connection therewith to execute, acknowledge, verify, deliver, file or cause to be published any applications, reports, consents to service of process, appointments of attorneys to receive service of process and other papers and instruments which may be required under such laws, and to take any and all further actions which they may deem necessary or advisable in order to maintain any such registration or qualification for as long as they deem necessary or as required by law or by the Underwriters; and all such actions previously taken are hereby ratified, confirmed and approved.

SECTION 13. Execution and Delivery of 2014 Series A and B Bonds and Related Documents. The Mayor of the City is hereby authorized to execute the Twenty-Sixth Supplemental Resolution and the 2014 Series A and B Bonds on behalf of the City, subject to the approval of the City Attorney of the City or her designee as to form and legality; *provided, however,* that the 2014 Series A and B Bonds shall be executed and delivered pursuant to the Bond Resolution and applicable law. The Mayor, the General Manager for Utilities and the Chief Financial Officer, Utilities of the City are each hereby authorized to execute the Contract of Purchase, the Continuing Disclosure Certificate, the Escrow Deposit Agreement and the

Official Statement on behalf of the City, each subject to completion thereof, and with such changes therein as the officer executing the same may approve as necessary and desirable and in the best interests of the City, such approval to be evidenced by the execution and delivery thereof, subject to the approval of the City Attorney of the City or her designee as to form and legality. The Clerk of the Commission of the City is hereby authorized to cause the seal of the City to be affixed to each of the 2014 Series A and B Bonds and the foregoing documents and to attest the same. Such officers are each hereby authorized to deliver such Bonds and documents on behalf of the City.

SECTION 14. Further Actions. Each Authorized Officer of the City is hereby authorized and empowered to execute and deliver or cause to be executed and delivered such other documents and opinions and to do all such acts and things as may be necessary or desirable in connection with the adoption of the Twenty-Sixth Supplemental Resolution and the approval, execution and delivery of the Contract of Purchase, the Continuing Disclosure Certificate and the Escrow Deposit Agreement and the carrying out of their terms and the terms of the Bond Resolution; the issuance, sale, execution and delivery of the 2014 Series A and B Bonds; and the use of the Preliminary Official Statement and the Official Statement. Without limiting the generality of the foregoing, the General Manager for Utilities of the City, or her designee, is hereby authorized to execute the certificates referred to in Sections 2.03 and 3.03 of the Twenty-Sixth Supplemental Resolution in order to evidence the determinations referred to in Sections 5 and 6 hereof.

SECTION 15. Severability. If any one or more of the covenants, agreements or provisions of this resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof and shall in no way effect the validity or enforceability of such remaining provisions.

SECTION 16. Effective Date. This resolution shall take effect immediately upon its adoption.

Dated this fourth day of December A.D., 2014.

Mayor

ATTEST:

Clerk of the Commission

Approved as to Form and Legality:

By _____
City Attorney

INDEX OF EXHIBITS

- EXHIBIT A – Letter of Public Financial Management, Inc., Financial Advisor to the System
- EXHIBIT B – Twenty-Sixth Supplemental Resolution
- EXHIBIT C – Form of Contract of Purchase
- EXHIBIT D – Draft of Preliminary Official Statement
- EXHIBIT E – Form of Escrow Deposit Agreement