

RESOLUTION NO. 080252
PASSED SEPTEMBER 4, 2008

A RESOLUTION EXPRESSING THE INTENT OF THE CITY OF GAINESVILLE, FLORIDA TO INCUR COSTS RELATED TO THE SETTLEMENT OF CERTAIN CLAIMS RELATED TO THE SWEETWATER BRANCH CREEK CONSTRUCTION PROJECT ; EXPRESSING THE INTENT FOR PURPOSES OF COMPLIANCE WITH UNITED STATES TREASURY REGULATION SECTION 1.150-2 TO REIMBURSE WITH THE PROCEEDS OF REVENUE BONDS, NOTES OR OTHER OBLIGATIONS THE EXPENDITURES MADE WITH RESPECT TO SUCH IMPROVEMENTS; PROVIDING FOR THE ISSUANCE BY THE CITY OF NOTES, BONDS OR OTHER OBLIGATIONS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$1,000,000 TO PAY SUCH COSTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Gainesville, Florida (the "City") intends to finance costs that is has incurred and/or will incur related to the settlement of a dispute with CEM Enterprises, Inc. regarding the Sweetwater Branch Creek Construction Project (such settlement referred to herein as the "Project"), and financing costs of such Project with the proceeds of revenue bonds, notes or other debt obligations to be issued in the future in one or more series in an aggregate principal amount not in excess of \$1,000,000 (the "Bonds"); and

WHEREAS, the City expects to pay on or after the date of this Resolution and before the issuance of the Bonds the costs of the Project with funds other than proceeds of the Bonds (the "Advanced Funds");

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Gainesville, Florida, that:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to Chapter 166, Florida Statutes, the Charter of the City and other applicable provisions of law (collectively, the "Act").

SECTION 2. FINDINGS. The City Commission hereby finds, determines and declares as follows:

A. The City is authorized under law, including, without limitation, the Act, to issue the Bonds for the valid public purpose of paying the cost of the Project.

B. It is necessary, desirable, convenient and in the interest of the City that costs related to the Project hereby contemplated be incurred and financed as contemplated in this Resolution.

C. The City intends to finance such costs with the proceeds of its Bonds, the interest on which will be exempt from federal income tax to be issued in the future in one or more series.

SECTION 3. EXPRESSION OF INTENT. The City reasonably expects to use proceeds of the Bonds to reimburse itself for all expenditures described herein made with the Advanced Funds. This Resolution is a declaration of the official intent of the City in that regard, within the contemplation of Section 1.150-2 of the Income Tax Regulations promulgated by the United States Department of the Treasury.

SECTION 4. MAXIMUM AMOUNT OF DEBT. The maximum principal amount of Bonds expected to be issued to finance the costs of the Project is \$1,000,000.

SECTION 5. EXPENDITURES TO BE REIMBURSED. All of the expenditures initially to be made with the Advanced Funds and then to be reimbursed by the City from proceeds of the Bonds will be for costs of the Project, which Project constitutes a capital expenditure, or for preliminary expenditures relating to the Project or costs of issuing the Bonds.

SECTION 6. FURTHER ACTION. The officers and employees of the City, including, without limitation, the Mayor, City Manager and Finance Director are hereby authorized to do all acts and things required of them by this Resolution for the full, punctual and complete performance of all the terms, covenants and agreements contained herein or necessary or convenient to the issuance of the Bonds as provided herein.

SECTION 7. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

APPROVED AND ADOPTED by the City Commission of the City of Gainesville, Florida, in open session, this 4th day of September, 2008.

CITY OF GAINESVILLE, FLORIDA

By: Peju Hamecha
Mayor

ATTEST:

By: [Signature]
Clerk Of the City Commission

APPROVED AS TO FORM AND LEGALITY

By: [Signature]
City Attorney

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