

RESOLUTION NO. 210089

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA, FOR THE PURPOSE OF AUTHORIZING THE CASH DEFEASANCE OF CERTAIN OUTSTANDING UTILITY SYSTEM DEBT, AUTHORIZING THE PAYMENT OF RELATED COSTS, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; APPROVING THE FORM, AND AUTHORIZING THE EXECUTION AND DELIVERY, OF ONE OR MORE ESCROW DEPOSIT AGREEMENTS WITH RESPECT THERETO, AND DELEGATING THE AUTHORITY TO DETERMINE CERTAIN MATTERS IN CONNECTION THEREWITH; APPROVING THE SELECTION OF AN ESCROW AGENT; AUTHORIZING CERTAIN CITY OFFICIALS TO TAKE ALL OTHER ACTIONS DEEMED NECESSARY OR ADVISABLE IN CONNECTION THEREWITH; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by the City Commission of the City of Gainesville, Florida (the "City") that:

**ARTICLE I
DEFINITIONS AND STATUTORY AUTHORITY**

1.01. Definitions.

1. All terms which are defined in Section 101 of the Master Resolution shall have the same meanings, respectively, in this Resolution, unless otherwise defined herein.

2. In this Resolution, in addition to the terms elsewhere defined herein, the following terms shall have the meanings set forth below:

"Authorized Officer" or **"Authorized Officers"** means the "Authorized Officers of the City," as defined in the Master Resolution.

"Chief Financial Officer" shall mean the Chief Financial Officer for Utilities including, any interim officer.

"City" shall mean the City of Gainesville, Florida.

"City Attorney" shall mean the City Attorney or such other assistant City Attorney as designated by the City Attorney.

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

"Defeased Bonds" shall mean the series and maturities of the Potential Defeased Bonds that are defeased with legally available Revenues in accordance with Section 2.01 hereof.

"General Manager" shall mean the General Manager for Utilities, as designated by the City from time to time.

"Master Resolution" shall mean Resolution No. 170395 incorporating by reference the Second Amended and Restated Utilities System Revenue Resolution adopted by the City on September 21, 2017, as amended and supplemented.

"Potential Defeased Bonds" shall mean the Utilities System Revenue Bonds set forth on Exhibit A hereto.

"Resolution" shall mean this resolution.

1.02. Authority for this Resolution. This Resolution is adopted (i) pursuant to the provisions of the Act, and (ii) in accordance with the Master Resolution and other applicable provisions therein.

1.03. Findings. It is hereby ascertained, determined and declared that:

1. Pursuant to Section 1201 of the Master Resolution, the City may defease outstanding Bonds.

2. The City deems it necessary and in its best interest to use legally available Revenues of the System realized from certain recently implemented cost savings strategies to provide for the cash defeasance of the Defeased Bonds and pay the costs related to such defeasance.

3. The City desires to delegate certain matters related to the defeasance as described herein to the General Manager or the Chief Financial Officer or such other Authorized Officer within the parameters set forth in this Resolution.

ARTICLE II AUTHORIZATION OF DEFEASANCE

2.01. Authorization of Defeasance; Delegation of Certain Determinations. The General Manager, Chief Financial Officer or any Authorized Officers, upon the advice of the Financial Advisor (or an affiliate company of the Financial Advisor), are each hereby authorized to determine which Potential Defeased Bonds shall be selected for defeasance and to use available cash of the System to defease up to \$566,780,000 of Potential Defeased Bonds and to deposit such amounts under an Escrow Deposit Agreement in the form approved under Section 2.02 hereof in amount sufficient, together with investment earnings thereon to pay the principal of, redemption premium if any, and interest thereon to their maturity or earlier redemption, provided, however, such defeasance or defeasances may occur in one more transactions but all must occur on or before September 30, 2026. Each Escrow Deposit Agreement shall expressly identify which Potential Defeased Bonds shall be defeased, execution of the Escrow Deposit

Agreement shall be conclusive evidence of such determination. The payment of costs of the defeasance is hereby authorized to be paid from System Revenues.

2.02. Approval of Escrow Deposit Agreement; Appointment of Escrow Agent; Purchase of Escrow Investments. The form of Escrow Deposit Agreement substantially in the form attached hereto as Exhibit B is hereby approved, subject to such changes, insertions and omissions and such filling of blanks therein as may be approved and made in each such Escrow Deposit Agreement by the General Manager, the Chief Financial Officer or any other Authorized Officer executing the same, in a manner consistent with the provisions of this Resolution and the Master Resolution, and subject to the terms hereof and thereof, such execution to be conclusive evidence of such approval. Subject to the provisions set forth herein, the General Manager, the Chief Financial Officer or such other Authorized Officer, is hereby authorized to execute one or more Escrow Deposit Agreements for and on behalf of the City pursuant to the terms hereof and the City Clerk is hereby authorized to attest such signature to the extent required by such form of the Escrow Deposit Agreement, subject to the approval of the City Attorney as to form and legality.

In connection with the defeasance of the Defeased Bonds, any Authorized Officer is hereby authorized to cause the legally available Revenues and earnings thereon to be invested in United States Treasury Securities - State and Local Government Series ("SLGS") or other United States Treasury Securities or other obligations permitted to be used to accomplish the defeasance of Defeased Bonds, in such amounts, at such times, maturing at such times and having such rate or rates of interest as such officer shall determine is necessary or desirable; and any authorized officer of the escrow agent or the Financial Advisor is hereby authorized in the name and on behalf of the City to submit subscriptions to the Bureau of Public Debt of the United States Department of the Treasury for the purchase of book-entry form SLGS, and to take such other action as such person deems necessary or appropriate to effectuate such purposes or to purchase such other obligations, including, without limitation, the solicitation of bids for the sale of such securities to the City for deposit under the escrow deposit agreement and the engagement of the Financial Advisor or such other firm, to solicit such bids is hereby authorized. Each Authorized Officer is hereby authorized to amend or supplement any such Escrow Deposit Agreements to purchase such securities after the deposit of funds therein and to deliver such other certificates, notices and agreements necessary to accomplish the investment of such proceeds. Any Authorized Officer is hereby authorized to irrevocably instruct the escrow agent to file such defeasance and redemption notices as are required by the Master Resolution.

2.03. Selection of Escrow Agent. U.S. Bank National Association is hereby selected and appointed as escrow agent in connection with the defeasance of the Defeased Bonds.

2.04. Further Actions. Each Authorized Officer 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 this Resolution, the approval, execution and delivery of each Escrow Deposit Agreement, and the carrying out of its terms and the terms of this Resolution.

**ARTICLE III
MISCELLANEOUS PROVISIONS**

3.01. Severability. If any one or more of the covenants, agreements or provisions of this Resolution should be held to be contrary to any express provision of law or to be contrary to the policy of express law, though not expressly prohibited, or to be against public policy, or should for any reason whatsoever be held invalid, then such covenants, agreements, or provisions of, and in no way affect the validity of, all the other provisions of the Resolution.

3.02. Effective Date. This Resolution shall take effect immediately after its adoption by the City Commission of the City.

Resolution approved and adopted June 17, 2021.

CITY OF GAINESVILLE, FLORIDA



Mayor

ATTESTED:



City Clerk

Approved as to Form and Legality:



City Attorney

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EXHIBIT A**POTENTIAL DEFEASED BONDS**

Utility System		Outstanding
<u>Revenue Bonds</u>	<u>Maturity</u>	<u>Principal Amount</u>
2009 Series B	10/1/2022	5,065,000
	10/1/2023	5,230,000
	10/1/2024	5,405,000
	10/1/2025	5,590,000
	10/1/2026	4,330,000
	10/1/2027	4,540,000
	10/1/2028	4,760,000
	10/1/2029	4,995,000
	10/1/2030	5,225,000
	10/1/2031	7,590,000
	10/1/2032	7,840,000
	10/1/2033	8,105,000
	10/1/2034	8,375,000
	10/1/2035	8,660,000
	10/1/2036	8,950,000
	10/1/2037	9,255,000
	10/1/2038	9,565,000
	10/1/2039	9,895,000
	10/1/2040	10,230,000
2014 Series A	10/1/2022	895,000
	10/1/2023	940,000
	10/1/2024	965,000
	10/1/2025	1,010,000
	10/1/2026	1,060,000
	10/1/2027	1,115,000
	10/1/2028	1,170,000
	10/1/2029	1,230,000
	10/1/2030	1,290,000
	10/1/2031	1,355,000
	10/1/2032	1,425,000
	10/1/2033	1,495,000
	10/1/2034	1,545,000
	10/1/2035	1,595,000
	10/1/2036	1,650,000
	10/1/2037	1,730,000
	10/1/2038	1,820,000
	10/1/2039	1,910,000
	10/1/2040	2,005,000
	10/1/2041	2,105,000
	10/1/2042	2,210,000
	10/1/2043	2,320,000

Utility System Revenue Bonds	<u>Maturity</u>	<u>Outstanding Principal Amount</u>
	10/1/2044	2,435,000
	10/1/2045	2,560,000
2017 Series A	10/1/2022	13,175,000
	10/1/2023	13,770,000
	10/1/2024	14,395,000
	10/1/2025	15,235,000
	10/1/2026	15,750,000
	10/1/2027	16,480,000
	10/1/2028	17,245,000
	10/1/2029	18,230,000
	10/1/2030	18,900,000
	10/1/2031	19,785,000
	10/1/2032	20,715,000
	10/1/2033	21,880,000
	10/1/2034	22,730,000
	10/1/2035	23,810,000
	10/1/2036	24,945,000
	10/1/2037	26,325,000
	10/1/2038	27,400,000
	10/1/2039	28,720,000
	10/1/2040	29,815,000
	10/1/2041	6,035,000

EXHIBIT B
FORM OF ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT

This is an Escrow Deposit Agreement dated as of _____, 20____, by and between **CITY OF GAINESVILLE, FLORIDA** (the "Issuer"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association and a member of the Federal Deposit Insurance Corporation, organized and existing under the laws of the United States of America and having its designated corporate trust office in which its duties hereunder are to be performed in New York, New York, as the escrow agent and as paying agent with respect to the Defeased Bonds, as hereinafter defined (the "Escrow Agent"):

WITNESSETH:

WHEREAS, the Issuer has previously issued its Utilities System Revenue Bonds, Series ____ (the "____ Bonds"), of which \$_____ in aggregate principal amount remain outstanding prior to the date hereof; and

WHEREAS, the Issuer wishes to make provision for the payment of the outstanding ____ Bonds maturing on October 1, 20____ (the "Defeased Bonds") by irrevocably depositing in escrow moneys in an amount which, together with investment earnings thereon will be sufficient to pay the principal of and interest on the Defeased Bonds as the same become due as herein provided; and

WHEREAS, in order to deposit such amount of money in trust, the Issuer has authorized the use of certain hereinafter described legally available moneys of the Issuer; and

WHEREAS, upon deposit in escrow as herein contemplated, a portion of the moneys will be applied to purchase certain noncallable direct obligations of the United States of America ("Government Obligations"), the principal of which, together with investment earnings thereon and a cash deposit, will be sufficient to pay when due, or when called for earlier redemption, the principal of and interest on the Defeased Bonds; and

WHEREAS, in order to provide for the proper and timely application of the moneys deposited in said escrow to the payment of the Defeased Bonds, it is necessary to enter into this Escrow Deposit Agreement with the Escrow Agent on behalf of the holders from time to time of the Defeased Bonds.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein set forth and in order to secure the payment of the principal of and interest on the Defeased Bonds according to their tenor and effect, the Issuer does hereby deliver to and give, grant, mortgage, assign and pledge to the Escrow Agent, and to its successors and its assigns forever, all and singular the property hereinafter described:

I.

All right, title and interest of the Issuer in and to \$_____ derived from certain legally available funds of the Issuer **[and \$_____ from the debt service fund allocable to the Defeased Bonds]**.

II.

All right, title and interest of the Issuer in and to the Government Obligations purchased from the moneys described in Clause I above and more particularly described in Schedule "A" hereto.

III.

All right, title and interest of the Issuer in and to all cash balances held from time to time hereunder and all income and earnings derived from or accruing to the Government Obligations described in Clause II above and more particularly described in Schedule "A" attached hereto and made a part hereof, and all proceeds of any of the foregoing.

IV.

All property which is by the express provisions of this Agreement required to be subject to the pledge hereof and any additional property of every kind and nature that may, from time to time hereafter, by delivery or by writing of any kind, be conveyed, pledged, assigned, or transferred as and for additional security hereunder or to be subject to the pledge hereof, by the Issuer or by anyone in its behalf, and the Escrow Agent is hereby authorized to receive the same at any time as additional security hereunder.

TO HAVE AND TO HOLD, all the same, including all additional property which by the terms hereof has or may become subject to the encumbrances of this Agreement given, granted, pledged and assigned or agreed or intended so to be, with all privileges and appurtenances hereby to the Escrow Agent, and its successors and assigns, forever;

IN ESCROW NEVERTHELESS, upon the terms herein set forth, for the equal and proportionate benefit, security and protection, as herein described, of the holders or owners from time to time of the Defeased Bonds in the manner herein provided; but if the Defeased Bonds shall be fully and promptly paid when due or redeemed in accordance with the terms thereof, then this Agreement shall be and become null and void and of no further force and effect, otherwise the same shall remain in full force and effect, and subject to the covenants and conditions hereinafter set forth.

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. Words used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Resolution (defined below). In addition to words and terms elsewhere defined in this Agreement, as used herein, unless some other meaning is plainly intended, the following terms and phrases shall have the following meanings:

"Agreement" means this Escrow Deposit Agreement between the Issuer and the Escrow Agent.

"Chief Financial Officer" means the Chief Financial Officer for Utilities including, any interim officer.

"City Attorney" means the City Attorney or such other assistant City Attorney.

"Escrow Funds" means the funds deposited by the Issuer pursuant to Section 2.01(b).

"Escrow Agent" means U.S. Bank National Association, a national banking association and a member of the Federal Deposit Insurance Corporation, organized and existing under and by virtue of the laws of the United States of America and being duly qualified to accept and administer the escrow hereby created, and its successors in such capacity.

"Escrow Deposit Fund" means the fund so designated and established under Section 2.01(a) of this Agreement and entitled "Escrow Deposit Fund."

"Fiscal Year" means that period of time commencing on October 1 and continuing to and including the next succeeding September 30, or such other annual period as may be prescribed by law.

"General Manager" means the General Manager for Utilities, as designated by the Issuer from time to time.

"Government Obligations" means the noncallable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America described in Schedule "A" attached hereto in which the Escrow Agent is instructed to invest pursuant to Section 2.01(c).

"Issuer" means City of Gainesville, Florida.

"Paying Agent" means U.S. Bank National Association, and its successors as paying agent for the Defeased Bonds.

"Defeased Bonds" means the outstanding City of Gainesville, Florida Utilities System Revenue Bonds, Series ____, maturing on October 1, 20____.

"Resolution" means the Issuer's Resolution No. 170395 incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the Issuer on September 21, 2017, as amended, as supplemented by the Supplemental Utilities System Revenue Bond Resolution No. ____ adopted by the Issuer on July 17, 2021.

"Written Request" with respect to the Issuer means a request in writing signed by the General Manager, Chief Financial Officer or any other officer or official of the Issuer duly authorized by the Issuer to execute such request and satisfactory to the Escrow Agent.

SECTION 1.02. Uses of Phrases. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural number and vice versa. The word "person" shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

ARTICLE II

ESTABLISHMENT OF FUNDS; FLOW OF FUNDS

SECTION 2.01. Creation of Escrow Deposit Fund.

(a) There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated the "Escrow Deposit Fund" to be held in the custody of the Escrow Agent separate and apart from other funds of the Issuer or of the Escrow Agent.

(b) Concurrently with the execution of this Agreement, the Issuer hereby deposits or has caused to be deposited with the Escrow Agent, and the Escrow Agent acknowledges receipt of, immediately available moneys in the amount of \$_____ from certain legally available funds of the Issuer **[and \$_____ from the debt service fund allocable to the Defeased Bonds, for a total of \$_____ to be deposited in the Escrow Deposit Fund]**.

(c) The Escrow Funds deposited in the Escrow Deposit Fund pursuant to subsection (b) above shall be immediately invested by the Escrow Agent in the noncallable Government Obligations described in Schedule "A" hereto, except \$_____ of the Escrow Funds shall be initially held uninvested as a cash balance and the Escrow Agent hereby acknowledges its receipt of such Government Obligations. The Issuer hereby represents and warrants that the Government Obligations described in Schedule "A" together with the earnings to be received

thereon, and the initial cash balance, will provide sufficient funds to pay the principal of and interest on the Defeased Bonds as the same become due. The total aggregate receipts from such investments pursuant to Schedule "A" is shown on Schedule "B" attached hereto. The debt service on the Defeased Bonds is shown on Schedule "C" hereto.

SECTION 2.02. Irrevocable Escrow Created. Except as provided in Section 4.01 hereof with respect to certain amendments, the deposit of Escrow Funds in the Escrow Deposit Fund and the investments as described in Schedule "A" shall constitute an irrevocable escrow fund deposit of said moneys and Government Obligations for the benefit of the registered owners of the Defeased Bonds and such registered owners shall have an express lien on all moneys and the principal of and interest on all such Government Obligations and all cash balances therein, until used and applied according to this Escrow Deposit Agreement. Such moneys and investments, and the matured principal of the Government Obligations and the interest thereon, shall be held in escrow by the Escrow Agent in the Escrow Deposit Fund created hereunder for the benefit of the registered owners of the Defeased Bonds as herein provided, and shall be kept separate and distinct from all other funds of the Issuer and the Escrow Agent and used only for the purposes and in the manner provided in this Escrow Deposit Agreement.

SECTION 2.03. Purchase of Government Obligations. The Escrow Agent is hereby directed to immediately purchase the Government Obligations listed on Schedule "A" hereto solely from the moneys deposited in the Escrow Deposit Fund as hereinabove described and to retain the initial cash balance of \$_____ uninvested in the Escrow Deposit Fund. Except as otherwise provided below, cash balances received from the Government Obligations as described in Schedule "A" as shown on Schedule "B" shall be held uninvested until applied in accordance with the terms hereof.

SECTION 2.04. Redemption of Bonds; Use of Moneys in the Escrow Deposit Fund.

(a) The Issuer hereby irrevocably instructs the Escrow Agent to file the defeasance notice substantially in the form attached hereto as Exhibit One and to give the notice to the Holders of such Defeased Bonds, on or about the date hereof, by electronic delivery or first class mail, postage prepaid. The Issuer hereby irrevocably instructs the Escrow Agent to instruct the Paying Agent to call the Defeased Bonds for redemption on the Redemption Date in accordance with the terms of the Resolution and to provide a timely notice of redemption in compliance with the requirements of the Resolution, substantially in the form attached hereto as Exhibit Two and is further instructed to file such notice of redemption, on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website.

(b) As any principal of and interest on the Government Obligations set forth in Schedule "A" shall mature and is received as shown on Schedule "B," the Escrow

Agent shall no later than the principal and interest payment dates and the maturity date or earlier redemption date with respect to the Defeased Bonds (unless any such date shall not be a business day, in which case, the next succeeding date which is a business day), transfer from the Escrow Deposit Fund to the Paying Agent for the Defeased Bonds amounts sufficient to pay the principal of and interest on the Defeased Bonds on the next principal and interest payment date and maturity date or earlier redemption date, as shown on Schedule "C." Such amounts shall be applied by the Paying Agent to pay the principal of and interest on the Defeased Bonds. Except as otherwise provided herein, all cash balances remaining from time to time in the Escrow Deposit Fund, as described in Schedule "B," shall be held uninvested until needed for the purposes hereof.

(c) Any moneys remaining after payment in full of the Defeased Bonds shall also be transferred to the Issuer as contemplated in Section 2.06 below.

SECTION 2.05. Investment of Moneys remaining in Escrow Deposit Fund. The Escrow Agent shall have no power or duty to invest any moneys held hereunder or to make substitutions of the Government Obligations held hereunder or to sell, transfer or otherwise dispose of the Government Obligations acquired hereunder except as provided in this Agreement. At the Written Request of the Issuer, the Escrow Agent shall invest and reinvest any moneys remaining from time to time in the Escrow Deposit Fund until such time that they are needed in direct obligations of the United States of America maturing at such time and bearing interest at such rates as, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, based upon an independent verification by a nationally recognized independent certified public accounting firm (which such verification report shall also be delivered to the Escrow Agent), will not, under the statutes, rules and regulations then in force and applicable to the Defeased Bonds cause the interest on such Defeased Bonds not to be excludable from gross income for federal income tax purposes. The Escrow Agent will not make any investments or reinvestments not expressly contemplated herein and in the Schedules hereto without such an opinion and verification report. Any interest income resulting from reinvestment of moneys pursuant to this Section 2.05 shall be transferred to the Issuer, at the Written Request of the Issuer, and used by the Issuer for any lawful purpose, unless the opinion referred to above shall dictate otherwise.

SECTION 2.06. Transfer of Funds after all Payments Required by this Agreement are Made. After all of the transfers by the Escrow Agent to the Paying Agent for payment of the principal of and interest on the Defeased Bonds on the final maturity date of the Defeased Bonds or earlier redemption have been made, all remaining moneys and Government Obligations, together with any income and interest thereon, in the Escrow Deposit Fund shall be transferred to the Issuer by the Escrow Agent pursuant to the Issuer's written direction and used by the Issuer for any lawful purpose which, in the opinion of Holland & Knight LLP or other nationally recognized bond counsel, will not cause the interest on the Defeased Bonds not to be excludable from gross income for federal income tax purposes and applied to the

payment of Bonds (as defined in the Resolution); provided, however, that no such transfer (except transfers made in accordance with Sections 2.04(c), 2.05 and 4.01 hereof) to the Issuer shall be made until all of the principal of and interest, on the Defeased Bonds have been paid.

ARTICLE III

CONCERNING THE ESCROW AGENT

SECTION 3.01. Appointment of Escrow Agent. The Issuer hereby appoints U.S. Bank National Association, as Escrow Agent under this Agreement.

SECTION 3.02. Acceptance by Escrow Agent. By execution of this Agreement, the Escrow Agent accepts the duties and obligations as Escrow Agent hereunder for the fee set forth on Exhibit Two hereto. The Escrow Agent further represents that it has all requisite power, and has taken all corporate actions necessary to execute this Escrow Agreement. The Issuer shall pay the Escrow Agent's fees and expenses for services rendered hereunder described on Exhibit Two hereto and reasonable expenses from funds of the Issuer other than those held hereunder. If the Escrow Agent is required by a governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related thereto (other than due to the Escrow Agent's negligence or willful misconduct), the Escrow Agent shall notify the Issuer of the same in writing and the Issuer shall promptly pay the Escrow Agent for such extraordinary fees, costs and expenses reasonably incurred in connection therewith. The Escrow Agent shall have no lien whatsoever upon any of the moneys or investments in either the Escrow Deposit Fund for the payment of fees and expenses for services rendered by the Escrow Agent under this Agreement. To the extent authorized under applicable law, the Issuer shall indemnify and hold harmless Escrow Agent and each director, officer, employee and affiliate of Escrow Agent (each, an "Indemnified Party") upon demand against any and all claims, actions and proceedings (whether asserted or commenced by Issuer or any other person or entity and whether or not valid), losses, damages, liabilities, penalties, costs and expenses of any kind or nature (including without limitation reasonable attorneys' fees and costs incurred in the enforcement of Issuer's obligations hereunder) (collectively, "Losses") arising from this Agreement or Escrow Agent's actions hereunder, except to the extent such Losses are finally determined by a court of competent jurisdiction, which determination is not subject to appeal, to have been directly caused solely by the negligence or willful misconduct of such Indemnified Party.

SECTION 3.03. Liability of Escrow Agent. The Escrow Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. The Escrow Agent shall not be liable for any loss resulting from any investment made pursuant to the terms and provisions of this Agreement.

The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of moneys and of the principal amount of the Government Obligations, and the earnings thereon to pay the Defeased Bonds. In the event of the Escrow Agent's failure to account for any of the Government Obligations, or moneys received by it hereunder, said Government Obligations, or moneys shall be and remain the property of the Issuer in escrow for payments of its obligations to the holders of the Defeased Bonds, as herein provided.

SECTION 3.04. Permitted Acts. The Escrow Agent and its affiliates may become the owner of or may deal in any obligations of the Issuer described herein as fully and with the same rights as if it were not the Escrow Agent.

SECTION 3.05. Resignation of Escrow Agent. The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the escrow hereby created by giving not less than sixty (60) days' advance written notice to the Issuer, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of the Defeased Bonds or by the Issuer or otherwise as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent, and the transfer to such successor Escrow Agent of the funds and accounts held by the Escrow Agent hereunder.

SECTION 3.06. Removal of Escrow Agent.

(a) The Escrow Agent may be removed by Issuer at any time if the holders of a majority in aggregate principal amount of the Defeased Bonds then outstanding file a request for removal in writing with the Issuer, but the Escrow Agent shall remain in office until the appointment and taking office of a successor Escrow Agent in accordance with the provisions of this Agreement. A copy of such request shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may also be removed at any time for any violation of this Agreement either by the Issuer or by a court of competent jurisdiction upon the application of the Issuer or the holders of not less than five percent (5%) in aggregate principal amount of the Defeased Bonds then outstanding.

(c) The Escrow Agent shall be deemed to have been removed if it is dissolved, becomes incapable of exercising the powers necessary to carry out its obligations hereunder or is taken over by any governmental action.

SECTION 3.07. Successor Escrow Agent.

(a) When the position of the Escrow Agent becomes or is about to become vacant, the Issuer shall appoint a successor Escrow Agent to fill such vacancy.

(b) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section within sixty (60) days of (i) the date of the resignation of the Escrow Agent or (ii) the date the vacancy occurs, the Issuer shall, or the holder of any Defeased Bond then outstanding, or any Escrow Agent retiring or being removed from office may, apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Upon the deposit by the retiring or removed Escrow Agent of all funds and securities held by it under the provisions hereof into the registry of such court, such retiring or removed Escrow Agent shall be relieved of all future duties hereunder.

SECTION 3.08. Receipt of Proceedings. Receipt of true and correct copies of the proceedings of the Issuer authorizing the issuance of the Defeased Bonds are hereby acknowledged by the Escrow Agent, and reference herein to or citation herein of any provision of said documents shall be deemed to incorporate the same as a part thereof in the same manner and with the same effect as if they were fully set forth herein but only to the extent that such incorporation shall be necessary to the performance by the Escrow Agent of its duties and obligations set forth herein. Except as otherwise provided in the preceding sentence, no such incorporation shall be deemed or construed to place upon the Escrow Agent any duties or obligations not otherwise expressly set forth herein.

SECTION 3.09. Responsibilities of Escrow Agent.

(a) The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the acceptance of the funds and securities deposited in the Escrow Deposit Fund, the purchase of the Government Obligations in accordance with the terms hereof, the establishment of the Escrow Deposit Fund, the retention of the Government Obligations or the proceeds thereof or any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any act, omission or error of the Escrow Agent made in good faith in the conduct of its duties except to the extent that a court of competent jurisdiction determines that such act, omission or error constituted negligence or willful misconduct. In no event will Escrow Agent be liable for (i) acting in accordance with or conclusively relying upon any Written Request, instruction, notice, demand, certificate or document believed by Escrow Agent to have been created by or on behalf of the Issuer or (ii) incidental, indirect, special, consequential or punitive damages or penalties of any kind (including, but not limited to lost profits), provided, however, notwithstanding the foregoing does not limit liability for losses directly suffered by holders of the Defeased Bonds to the extent solely caused by the negligence of the Escrow Agent that results in the interest on the Defeased Bonds to not be excludable from the gross income of the holders thereof or amounts payable pursuant to a settlement agreement reasonably entered into by the Issuer with the Internal Revenue Service as a direct result of such negligence in order to preserve the excludability of interest income on Defeased Bonds for federal income tax purposes.

The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement and no implied covenants or obligations should be read into this Agreement against the Escrow Agent. Escrow Agent has no fiduciary or discretionary duties of any kind. Escrow Agent's permissive rights will not be construed as duties.

(b) Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. The Escrow Agent may conclusively rely, as to the correctness of statements, conclusions and opinions therein, upon any certificate, report, opinion or other document furnished to the Escrow Agent pursuant to any provision of this Agreement; the Escrow Agent shall be fully protected and shall not be liable for acting or proceeding in good faith upon such reliance; and the Escrow Agent shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument. The Escrow Agent may consult with counsel, who may be counsel to the Issuer or independent counsel, with regard to legal questions, and the advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance herewith. The Escrow Agent may act through its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any such person so appointed with due care. Any payment obligation of the Escrow Agent hereunder shall be paid from, and is limited to funds available, established and maintained hereunder; the Escrow Agent shall not be required to expend its own funds for the performance of its duties hereunder.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Defeased Bonds. The Issuer warrants that it will take no action to repeal, revoke, alter or amend this Agreement without the written consent of all holders of the Defeased Bonds and the Escrow Agent; provided, however, that the Issuer further warrants that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement that, as the Issuer determines, shall not adversely affect the rights of such holders and not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;

(b) to grant to, or confer upon, the Escrow Agent for the benefit of the holders of the Defeased Bonds, additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and

(c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely conclusively upon an unqualified opinion of Holland & Knight LLP or other nationally recognized attorneys on the subject of municipal bonds and the exclusion of the interest thereon from gross income for federal income tax purposes with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Defeased Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

Notwithstanding the foregoing or any other provision of this Agreement, at the Written Request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to and shall, in simultaneous transactions, sell, transfer, otherwise dispose of or request the redemption of the Government Obligations held hereunder and to substitute therefor noncallable direct obligations of, or obligations the principal of and interest on which is fully guaranteed by the United States of America, subject to the condition that such moneys or securities held by the Escrow Agent shall be sufficient to timely pay the principal of and interest on the Defeased Bonds in accordance with the schedules attached hereto. The Escrow Agent shall purchase such substituted securities with the proceeds derived from the maturity, sale, transfer, disposition or redemption of the Government Obligations held hereunder or from other moneys available in accordance with the written directions of the Issuer. The transactions may be effected only if there shall have been obtained: an independent verification by a nationally recognized independent certified public accounting firm acceptable to the Escrow Agent concerning the adequacy of such substituted securities with respect to principal and the interest thereon and any other moneys or securities held for such purpose to meet the principal and interest when due of the Defeased Bonds as contemplated by the schedules hereto.

If Schedules "D-1" and "D-2" have been attached hereto at the time of execution hereof, the noncallable Government Obligations described in Schedule "A" (the "Substituted Securities") have been provided to the Issuer by the supplier thereof (the "Supplier") under a contract pursuant to which (i) the Supplier may at any time substitute the Government Obligations listed in Schedule "D-1" (the "Original Securities"), for the Substituted Securities without cost or expense to either party and (ii) the Supplier is entitled to amounts received on the Substituted Securities in excess of the amounts that would have been received on the Original Securities, to the extent not needed to pay principal of and interest on the Defeased Bonds at the time and the manner contemplated by the terms of this Escrow Agreement. Under such circumstances, the Escrow Agent shall deliver to the Supplier amounts received

on the Substituted Securities that, as certified by the Issuer to the Escrow Agent are in excess of the amounts that would have been received on the Original Securities, to the extent not needed to pay principal of and interest on the Defeased Bonds. In addition, if the Escrow Agent receives delivery from the Supplier of the Original Securities in substitution for the Substituted Securities, the Escrow Agent shall promptly deliver to the Supplier the Substituted Securities in exchange for the Original Securities without regard to the market value thereof at the time of substitution, provided that no payment of any principal of or interest on the Original Securities or the Substituted Securities has been made to the Escrow Agent. Immediately upon such substitution, Schedules "D-1" and "D-2" shall be substituted for Schedule "A" and "B," respectively, for all purposes hereof.

If securities are substituted pursuant to this Section 4.01, any surplus moneys resulting from the sale, transfer, other disposition or redemption of the Government Obligations held hereunder and the substitutions therefor of noncallable direct obligations of, or obligations the principal of and interest on which are fully guaranteed by, the United States of America, shall be released from the Escrow Deposit Fund and shall be transferred to the Issuer pursuant to the Issuer's written direction and may be used by the Issuer for any lawful purpose.

Prior to any repeal, revocation, alteration or amendment of this Agreement, the Issuer shall provide written notice of such proposed repeal, revocation, alteration or amendment, if the Defeased Bonds are then rated by Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Ratings Service ("S&P") or Fitch Ratings ("Fitch"), to Moody's, S&P and Fitch, as applicable, at the following addresses, respectively:

Moody's Investors Service, Inc.
99 Church Street
New York, New York 10007
Attn: Municipal Rating Desk/Defeased Bonds

Standard & Poor's Ratings Service
55 Water Street
New York, New York 10041

Fitch Ratings
One State Street Plaza
New York, New York 10004

SECTION 4.02. Severability. If any one or more of the covenants or agreements provided in this Agreement should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed to be separate and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 4.03. Agreement Binding. All the covenants, promises and agreements in this Agreement contained by or on behalf of the Issuer or by or on behalf of the Escrow Agent shall bind and inure to the benefit of their respective successors and assigns, and shall be for the benefit of the holders of the Defeased Bonds, whether so expressed or not.

SECTION 4.04. Termination. This Agreement shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made.

SECTION 4.05. Governing Law. This Agreement shall be governed by the applicable laws of the State of Florida without regard to conflict of law principles.

SECTION 4.06. Execution by Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded for all purposes as an original, and all of which, together, shall constitute and be but one and the same instrument.

SECTION 4.07. Notices. All notices and communications required to be delivered pursuant to this Agreement shall be given in writing, or by telegram, telex, or cable or first class mail, postage prepaid, addressed to the following parties, at the following addresses:

<u>The Issuer:</u>	City of Gainesville, Florida 200 East University Avenue, Suite 425 Gainesville, Florida 32601 Attention: City Attorney
<u>The Escrow Agent:</u>	U.S. Bank National Association 225 Water Street, Suite 700 EX-FL-WWSJ Jacksonville, Florida 32202 Attention: Corporate Trust Department

[Signature page follows]

IN WITNESS WHEREOF, the Issuer and the Escrow Agent have duly executed this Agreement as of the ____ day of _____, 20__.

CITY OF GAINESVILLE, FLORIDA

By: _____
Chief Financial Officer

Attested and countersigned:

By: _____
City Attorney

U.S. BANK NATIONAL ASSOCIATION, as
Escrow Agent

By: _____
Authorized Signatory

#80151955_v4 136433.00029

EXHIBIT ONE

NOTICE OF DEFEASANCE

City of Gainesville, Florida
Utilities System Revenue Bonds,
_____ Series _____

Notice is hereby given by the City of Gainesville, Florida (the "Issuer"), that the Issuer's outstanding Utilities System Revenue Bonds, _____ Series _____ dated _____, _____ and maturing on October 1, 20____ (the "Defeased Bonds"), have been defeased and are deemed to be paid pursuant to the Section 1201 of Resolution No. 170395 incorporating by reference the Second Amended and Restated Utilities System Revenue Bond Resolution adopted by the Issuer on September 21, 2017, as amended and supplemented (collectively, the "Bond Resolution"). In accordance with Section 1201(3)(b) of the Bond Resolution, the Issuer has deposited with U.S. Bank National Association in an irrevocable escrow cash or federal securities, the principal of and interest on which will be sufficient to pay the principal of and interest due or to become due on the Defeased Bonds on or prior to their maturity or earlier redemption on _____ 1, 20____.

The maturity date, principal amount and current CUSIP number for the Defeased Bonds are as set forth below:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP No.*</u>
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This notice does not constitute a notice of redemption and no Defeased Bonds should be delivered to the Issuer or U.S. Bank National Association, as paying agent for the Defeased Bonds, as a result of this Notice.

Dated this ____ day of _____, 202__.

CITY OF GAINESVILLE, FLORIDA

* The CUSIP number is included solely for the convenience of the Bondholders. Neither City of Gainesville, Florida nor the Paying Agent shall be responsible for the selection or the use of the CUSIP number, nor is any representation made as to its correctness on the securities or as indicated on any notice.

EXHIBIT TWO

NOTICE OF REDEMPTION

City of Gainesville, Florida
Utilities System Revenue Bonds,
____ Series ____

Notice is hereby given to the holders of the outstanding City of Gainesville, Florida Utilities System Revenue Bonds, ____ Series ____, originally issued on and dated _____, _____, that all of said Bonds maturing on and after October 1, 20____ (the "Refunded Bonds"), have been called for redemption prior to maturity, on October 1, 20____ (the "Redemption Date"), at a redemption price equal to 100% of the principal amount of each bond to be redeemed and without premium (the "Redemption Price").

The Refunded Bonds are more particularly described below:

<u>Maturity Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>CUSIP No.*</u>
_____	\$ _____	_____%	_____

The Redemption Price of and accrued interest on such Refunded Bonds shall be due and payable on the Redemption Date, and on and after the Redemption Date, interest on the principal amount of Refunded Bonds called for redemption will cease to accrue. In accordance with the provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003, the Paying Agent may be required to withhold 28% of the payment upon redemption to certain bondholders who have failed to furnish the Paying Agent with a completed Internal Revenue Service Form W-9, entitled "Payer's Request for Taxpayer Identification Number." Therefore, Bondholders should furnish a correctly completed Form W-9 when presenting Refunded Bonds for redemption to avoid any such withholding or penalties.

Refunded Bonds held in book-entry form need not be presented. To receive payment of the redemption price for these Refunded Bonds, you must present your certificate(s) to us on or prior to the Redemption Date. The certificates should be delivered to the following address:

Delivery Instructions:
U.S. Bank
Global Corporate Trust
111 Fillmore Avenue E
St. Paul, MN 55107-1402
1-800-934-6802

Important: The provisions of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act") require bondholders to submit their Taxpayer Identification Number, (either their social security or employer identification number, as appropriate) with each bond presented for payment (whether by purchase or redemption). Failure to comply will subject the payment of the principal portion to the withholding of twenty-eight percent (28%) of such principal portion. To avoid being subject to such withholding, bondholders should submit an IRS Form W-9 at the time the Refunded Bonds are presented for payment. Form W-9 is available from your local bank or broker.

Dated this ____ day of _____, 20__.

U.S. BANK NATIONAL
ASSOCIATION, as Paying Agent

EXHIBIT THREE
ESCROW AGENT FEE

SCHEDULE A
GOVERNMENT OBLIGATIONS

SCHEDULE B
TOTAL AGGREGATE RECEIPTS

SCHEDULE C
DEBT SERVICE ON DEFEASED BONDS