

RESOLUTION NO. 86-138

**A RESOLUTION OF ST. JOHNS COUNTY, FLORIDA RATIFYING AND CONFIRMING ITS RESOLUTION NO. 85-139, IN CONNECTION WITH THE ISSUANCE OF ITS VARIABLE RATE DEMAND UTILITY REVENUE BONDS, SERIES 1986 (GENERAL DEVELOPMENT UTILITIES, INC. PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,600,000, FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COST OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF INDUSTRIAL FACILITIES FOR THE FURNISHING OF WATER OR SEWER SERVICES OR BOTH LOCATED IN ST. JOHNS COUNTY, FLORIDA, TO BE USED BY GENERAL DEVELOPMENT UTILITIES, INC.; PROVIDING FOR THE APPROVAL OF AN INCREASE IN THE AGGREGATE PRINCIPAL AMOUNT OF THE BONDS NOT TO EXCEED \$4,000,000 AND REDESIGNATING SUCH BONDS AS SERIES 1986; PROVIDING THAT THE INCREASED BOND AMOUNTS NEED NOT BE VALIDATED; MAKING FINDINGS OF FACT; PROVIDING FOR FILING OF A NOTICE OF INTENT TO ISSUE BONDS AND REQUEST FOR WRITTEN CONFIRMATION, UNDER THE PRIVATE ACTIVITY BOND LIMITATION AND PURSUANT TO FLORIDA LAW FOR ONE OR MORE ALLOCATIONS FOR THE BONDS FOR CALENDAR YEAR 1986 IN THE AMOUNT NOT TO EXCEED \$4,000,000; ALL PURSUANT TO CHAPTER 159, PART II, FLORIDA STATUTES, AS AMENDED; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of County Commissioners of St. Johns County, Florida (the "Issuer") did, on October 8, 1985, duly adopt a Resolution (the "Resolution") with respect to the issuance of its Variable Rate Demand Utility Revenue Bonds, Series 1985 (General Development Utilities, Inc. Project), in the aggregate principal amount of not to exceed \$1,600,000 (the "Bonds"), for the purpose of financing all or a part of the cost of issuance of the Bonds and of a capital project for the acquisition, construction and equipping of industrial facilities for the furnishing of water or sewer services or both (the "Project") located in St. Johns County, Florida, used and to be used by General Development Utilities, Inc. (the "Borrower") as more fully described in the Resolution; and

**WHEREAS**, the Borrower has requested that the Issuer take official action to approve an increase in aggregate principal amount of the Bonds not to exceed \$4,000,000 and to redesignate the Bonds as Series 1986; and

**WHEREAS**, on this date the Issuer has conducted a public hearing with respect to the issuance of the Bonds, in accordance with the requirements of the Tax Equity and Fiscal Responsibility Act of 1984 ("TEFRA"), and having considered all comments presented at such hearing, the Issuer desires to proceed with the financing; and

**WHEREAS**, the Issuer wishes to file for an allocation for the Bonds pursuant to Florida law in order to satisfy the requirements of Section 103(n) of the Code, all so that

the interest on the Bonds will be exempt from federal income taxation under applicable provisions of Section 103 of the Code;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:**

**Section 1. Ratification of Resolution.** Resolution No. 85-139, duly adopted on October 8, 1985, as previously amended, is hereby ratified and confirmed.

**Section 2. Increase in Bond; Redesignation.** The increase in aggregate principal amount of the Bonds not to exceed \$4,000,000 is hereby approved and the redesignation of the Bonds as Series 1986 is hereby authorized.

**Section 3. Validation.** The increased bond amount and the series redesignation need not be validated

**Section 4. Findings of Financial Responsibility.** Giving due regard to the ratio of the Borrower's and General Development Corporation's ("Guarantor's") current assets to their current liabilities, net worth, earning trends, coverage of all fixed charges, the nature of their business and the industry in which they are involved, their inherent stability, the guarantee of the Bonds by another financially responsible corporation, and all other factors determinative of the Guarantor's and Borrower's capabilities, financial and otherwise, of fulfilling their obligations consistently with the purposes of Chapter 159, Part II, Florida Statutes (the "Act"), the Borrower is financially responsible and fully capable and willing to fulfill its obligations under the Loan Agreement between the Issuer and the Borrower (the "Loan Agreement"), including the obligation to make payments thereunder in the amounts and at the times required pursuant to the terms of the Loan Agreement and the obligation to operate, repair and maintain the Project at its own expense, and the Borrower is desirous of serving the purposes of the Act and is willing and capable of fully performing all other obligations and responsibilities imposed upon it pursuant to the provisions of the Loan Agreement.

**Section 5. Filing for Allocation; Assignment.** The execution and filing of one or more Notices of Intent to Issue Bonds and Request for Written Confirmation for one or more allocations for the Bonds in the aggregate amount not to exceed \$4,000,000 for calendar year 1986, pursuant to Section 103(n) of the Code, is hereby approved and the Chairman of the Board of County Commissioners is hereby authorized and directed to execute and file or deliver such documents or instruments as may be necessary or advisable in order to accomplish the foregoing.

**Section 6. Repealing Clause.** All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

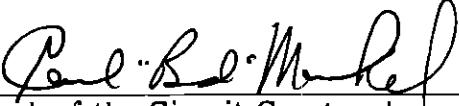
**Section 7. Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 14th day of October, 1986.

(SEAL)

ATTEST:

  
Chairman of the Board of County  
Commissioners of St. Johns County, Florida

  
Clerk of the Circuit Court and ex-officio  
Clerk of the Board of County Commissioners  
of St. Johns County, Florida