

**RESOLUTION NO.: 94-207**

**"A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA SUPPLEMENTING RESOLUTION 94-206 (i) APPROVING AND AWARDING A NOTE TO SUN BANK, NATIONAL ASSOCIATION IN THE AMOUNT OF \$ 461,785 FOR THE PURPOSE OF FINANCING CERTAIN CAPITAL IMPROVEMENTS UNDER THE COUNTY'S CAPITAL IMPROVEMENTS PROGRAMS; (ii) REAFFIRMING THE SECURITY FOR SUCH NOTE TO BE CERTAIN SPECIAL ASSESSMENTS LEVIED AND COLLECTED BY THE COUNTY ON THE REAL PROPERTY WITHIN THE MUNICIPAL BENEFIT SERVICE UNIT CREATED BY THE COUNTY PURSUANT TO SECTION 125.01 OF THE FLORIDA STATUTES AND WHEREIN THE APPLICABLE PORTION OF THE PROJECT IS LOCATED; (iii) DETERMINING THAT THE ADVANCE TO BE FUNDED BY THE NOTE WILL SERVE A COUNTY PURPOSE; (iv) AUTHORIZING THE EXECUTION AND DELIVERY OF THE NOTE; (v) AUTHORIZING A NEGOTIATED SALE OF THE NOTE; AND (vi) AUTHORIZING THE PROPER OFFICIALS OF THE COUNTY TO DO ANY OTHER ADDITIONAL THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE NOTE, AND THE SECURITY THEREFOR."**

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AS FOLLOWS:

**SECTION 1. FINDINGS AND AWARD OF NOTE.**

(A) St. Johns County, Florida (the "County"), pursuant to the provisions of the Florida Constitution; Chapter 125 of the Florida Statutes, as amended and supplemented, the County's Ordinance No. 86-89, and any other applicable provisions of law (all of the foregoing, collectively, the "Act") is authorized to, in accordance with the Act, borrow money, issue bonds, notes or other obligations to finance the costs of capital expenditures for the County's public purpose.

(B) The Board of County Commissioners of St. Johns County, Florida (the "Board") has previously adopted Resolution Number ~~94206~~ (the "Original Resolution") wherein a Line of Credit Agreement has been authorized and approved for execution and a form of Note has been approved for purposes of subsequent borrowings under the Line of Credit Agreement. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Original Resolution.

(C) The County has requested an Advance (defined in the Line of Credit Agreement) from Sun Bank under the Line of Credit Agreement in the amount of \$ 461,785 which will necessitate the issuance of a Note in like amount by the County under the Line of Credit Agreement pursuant to the terms of that Agreement, the Original Resolution, and this Supplemental Resolution.

(D) The Advance will be used to fund capital improvements described in County MSBU ordinance 91-47. The Advance and the Note will serve a County purpose.

(E) The Board, pursuant to Section 218.385, Florida Statutes, and in accordance with the Original Resolution, has determined that it is in its best interest, taking all pricing factors of the transaction into consideration and given the size of the proposed borrowing, to issue the Note referenced herein to the order of Sun Bank, all in a negotiated-sale fashion.

**SECTION 2. AUTHORIZATION BY BOARD OF THE ADVANCE AND THE FORM OF NOTE.**

The Board hereby authorizes the Advance and the Note and a negotiated sale of the Note to Sun Bank and further authorizes the Chair, or the Vice-Chair in the Chair's absence or unavailability, and the County Clerk, or a designated deputy County Clerk, in the County Clerk's absence or unavailability, to execute and deliver on behalf of the County the Note in substantially the form attached hereto as Exhibit "A" with such changes, insertions, and additions as the above-referenced officers may approve, their execution thereof being evidence of such approval.

**SECTION 3. REAFFIRMATION OF PLEDGE OF DESIGNATED REVENUES TO SECURE LINE OF CREDIT AND NOTE.**

The Board hereby reaffirms that the Designated Revenues that are defined in the Line of Credit Agreement are the sole source of revenue to be pledged to secure the obligations of the County under the Note, all as in accordance with the terms of the Line of Credit Agreement, the Original Resolution and the Advance Letter as pertains to the Note.

**SECTION 4. AUTHORIZATION OF OTHER DOCUMENTS TO EFFECTUATE TRANSACTION.**

To the extent that other documents, certificates, opinions, or items are needed to effectuate any of the transactions referenced in this Supplemental Resolution or the Note, the Chair, or the Vice-Chair in the Chair's absence or unavailability, and the County Clerk, or a designated deputy County Clerk, in the County Clerk's absence or unavailability, are hereby authorized to execute and deliver on behalf of the County such documents, certificates, opinions, or other items and to take such other actions as are necessary for the full, punctual, and complete performance of the covenants, agreements, provisions, and other terms as are contained herein and in the documents included herein by reference.

**SECTION 5. LIMITED OBLIGATION.** The obligation of the County to repay amounts under the Note is a limited and special obligation payable solely from the Designated Revenues in the manner set forth in the Line of Credit Agreement and shall not be deemed a pledge of the faith and credit or taxing power of the County and such obligation shall not create a lien on any property whatsoever of or in the County other than the Designated Revenues.

SECTION 6. DISCLOSURE STATEMENT. Sun Bank has delivered a disclosure statement (a copy of which is attached hereto as Exhibit B) as required by Section 218.385, Florida Statutes.

[SECTION 7. DESIGNATION OF NOTE AS "BANK QUALIFIED". The County desires to qualify the Note for the exception contained in Section 265(b)(3) of the Code to the provisions of Section 265(b) of the Code which deny financial institutions any deduction for interest expense allocable to tax-exempt obligations acquired after August 7, 1986, and to designate the Note for the purpose of qualifying for such exception. The County does hereby find and determine that the aggregate face amount of all qualified tax-exempt obligations (excluding private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds, as defined in Section 145 of the Code), including the Note issued by or on behalf of the County (and all subordinate entities thereof) during the 1995 calendar year is not expected to exceed \$10,000,000 and that as of the date hereof no tax-exempt obligations issued or authorized to be issued by or on behalf of the County (and all subordinate entities thereof), other than the Note, have been designated by the County for the purpose of qualifying for such exception.] [to be included for Notes issued in 1995]

SECTION 8. REPEAL OF INCONSISTENT DOCUMENTS. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 9. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this  8  day of November, 1994.

BOARD OF COUNTY COMMISSIONERS  
ST. JOHNS COUNTY, FLORIDA

*Delean Roberts*

Chair of Board of County Commissioners  
of St. Johns County, Florida

[SEAL]

Attest: Carl "Bud" Markel, Clerk

*Yvonne Carter*  
Deputy Clerk of the Circuit Court  
St. Johns County, Florida

mvw Draft 11/3/94  
c:\corp\11\stjohns.19F

**ST. JOHNS COUNTY, FLORIDA  
REVENUE LINE OF CREDIT NOTE,  
ADVANCE NUMBER 1, SERIES 1994**

Principal Sum  
\$461,785

Date of Issuance  
November 8, 1994

FOR VALUE RECEIVED, ST. JOHNS COUNTY, FLORIDA (the "County"), hereby promises to pay to the order of SUN BANK, NATIONAL ASSOCIATION, a national banking corporation, or its registered assigns (the "Noteholder"), at 200 South Orange Avenue, Orlando, Florida, or at such other place as the Noteholder may from time to time designate in writing, but solely from the Designated Revenues defined in the Line of Credit Agreement hereafter referenced, the Principal Sum stated above, that has been advanced to the County by the Noteholder pursuant to that certain Line of Credit Agreement by and between the Noteholder and the County dated as of November \_\_, 1994 (the "Line of Credit Agreement"), together with interest thereon as hereinafter provided. This Note is payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Payments hereunder shall be made to the Noteholder hereof by check mailed to the Noteholder at the address designated in writing by the Noteholder for purposes of payment or by bank wire or bank transfer as the Noteholder may specify in writing to the County or otherwise as the County and the Noteholder may agree.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Line of Credit Agreement.

The principal sum of this Note shall bear interest at the Note Rate (as defined in the Line of Credit Agreement) from the date of its Advance to the date on which all principal and all unpaid interest accrued thereon shall be due and payable in full, which such date, if not sooner due to acceleration or prepayment, shall be September 30, 1999 (the "Final Maturity Date"). Interest on the Note shall be computed on the basis of a 360 day year consisting of twelve (12) thirty (30) day months. Upon the occurrence of one or more of the events specified in Section 3.04 of the Line of Credit Agreement, the Note Rate shall be adjusted as therein provided. The Noteholder shall provide the County with documentation to evidence any adjustment to the Note Rate made under Section 3.04 of the Line of Credit Agreement.

The repayment schedule for the Note shall be as follows:

(1) During the Loan Origination Period, the County shall be required to pay annual interest only on the Note, with such payments to be due and payable on each July 1, commencing on July 1, 1995. All principal and accrued interest shall be due and payable on the Final Maturity Date.

(2) At the option of the County, but subject the Bank's unfettered discretion, within 180 days of the Final Maturity Date maturity (i.e., prior to the date thereof), the Borrower may

request the conversion of the then current amount outstanding under this Note into a term obligation. Such term obligation would be for a maximum maturity of ten years and shall be fully amortizing during that time (i.e., no extended amortization with a balloon payment shall be offered). In no event shall the term of the Note extend past the latest term of the special assessments pledged to repay the same. As referenced above, the County's request for such term loan conversion shall be entirely subject to the Bank's discretion and the Bank shall have the right to ask for reasonable assurances, security and documentation regarding such extension for review purposes prior to extending the same.

The County may prepay this Note in whole or in part without penalty or premium out of any monies of the County legally available therefor. Each prepayment shall be made on such date and in such principal amount as shall be specified by the County in a written notice delivered to the Noteholder not more than fifteen (15) and not less than five (5) days prior to the specified prepayment date. Any prepayment shall be applied first to accrued but unpaid interest hereon, then to other charges, if any, due the Noteholder hereunder, and thereafter to the principal sums last maturing hereunder.

This Note is one of the Notes authorized to be issued in the outstanding aggregate principal amount of not exceeding \$6,000,000 under the authority of and in full compliance with the Constitution and statutes of the State of Florida, including, particularly, Chapter 125, Florida Statutes, as amended and supplemented, the County's Ordinance No. 86-89, and other applicable provisions of law, the County's Resolution No. 94-\_\_ effective November \_\_, 1994 and the County's Resolution No. 94-\_\_ effective November , 1994, and is subject to all terms and conditions of said Resolutions (the "Resolutions"). Any term used in this Note and not otherwise defined shall have the meaning ascribed to such term in the Resolution or the Line of Credit Agreement, as the case may be.

In no event shall the interest contracted for, charged or received in connection with the Line of Credit Agreement and this Note (including any other costs and considerations that constitute interest under the laws of the State of Florida) ever exceed the least of:

(a) the interest and other costs and considerations constituting interest that have been contracted for in this Note and the Line of Credit Agreement;

(b) the interest and other costs and considerations constituting interest that would represent interest at the maximum rate of nonusurious interest allowed under the laws of the State of Florida as presently in effect; provided, however, that if such maximum rate of nonusurious interest hereafter is increased by such laws, commencing on the date such increase becomes lawful, the increased maximum rate of nonusurious interest, but in no event shall any amount ever be paid or payable by the County greater than the amount contracted for herein; and

(c) the amounts that would represent interest at the maximum rate of lawful interest permitted by Section 215.84(3), Florida Statutes, as presently in effect and to the extent an increase is allowable by such laws.

In the event the maturity of this Note is accelerated or prepaid in accordance with the provisions hereof, then such amounts that constitute payments of interest, together with any costs or considerations which constitute interest under the laws of the State of Florida, may never exceed an amount which would result in payment of interest at a rate in excess of that permitted by Section 215.84(3) of the Florida Statutes as presently in effect and to the extent an increase is allowable by such laws; and excess interest, if any, shall be canceled automatically as of the date of such acceleration, or, if theretofore paid, shall be credited on the principal amount of this Note unpaid, but such crediting shall not cure or waive any default under the Line of Credit Agreement or Resolution.

THIS NOTE, WHEN DELIVERED BY THE COUNTY PURSUANT TO THE TERMS OF THE LINE OF CREDIT AGREEMENT AND THE RESOLUTIONS, SHALL NOT BE OR CONSTITUTE AN INDEBTEDNESS OF THE COUNTY OR OF THE STATE OF FLORIDA (THE "STATE"), WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATIONS OF INDEBTEDNESS, BUT SHALL BE PAYABLE SOLELY FROM THE DESIGNATED REVENUES, AS PROVIDED IN THE LINE OF CREDIT AGREEMENT AND THE RESOLUTIONS. THE NOTEHOLDER SHALL NEVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTY OR THE STATE, OR TAXATION IN ANY FORM OF ANY PROPERTY THEREIN TO PAY THIS NOTE OR THE INTEREST THEREON.

Upon the occurrence of an Event of Default the principal of this Note may become or be declared due and payable before the Final Maturity Date in the manner, with the effect and subject to the conditions set forth in the Line of Credit Agreement and Resolutions. The Noteholder shall also have such other remedies as described in the Line of Credit Agreement.

The County hereby waives presentment, demand, protest and notice of dishonor. This Note is governed and controlled by the Line of Credit Agreement and reference is hereby made thereto regarding interest rate adjustments, acceleration, and other matters.

IN WITNESS WHEREOF, the County has caused this Note to be signed by its Chair of the Board of County Commissioners, either manually or with facsimile signature, and the seal of the County to be affixed hereto or imprinted or reproduced hereon, and attested by the Clerk of Courts, either manually or with facsimile signature, and this Note to be dated the Date of Issuance set forth above.

(SEAL)

ST. JOHNS COUNTY

ATTEST: \_\_\_\_\_  
Clerk of the Circuit Court

By: \_\_\_\_\_  
Chair of Board of County  
Commissioners of St. Johns  
County, Florida

FORM OF CERTIFICATE OF AUTHENTICATION

Date of Authentication: November 8, 1994

This Note is being delivered pursuant to the within mentioned Resolution.

FINANCE DIRECTOR, as Registrar

By: \_\_\_\_\_

Name: Michael R. Givens  
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Noteholder sells, assigns and transfers unto \_\_\_\_\_ (please print or typewrite name, address and tax identification number of assignee) \_\_\_\_\_ the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

\_\_\_\_\_  
Noteholder



October \_\_, 1994

The Board of County Commissioners of  
St. Johns County  
P.O. Drawer 349  
St. Johns County, Florida 32085

**\$6,000,000**  
**St. Johns County**  
**Revenue Line of Credit Notes,**  
**Advance Number 1, Series 1994**  
**(Dated: November \_\_, 1994)**

Ladies and Gentlemen:

This letter shall serve as a disclosure statement delivered pursuant to Section 218.385, Florida Statutes, in connection with the award of the above-referenced Note (the "Note") to Sun Bank, National Association (the "Purchaser"). We represent to you as follows:

(a) There is no managing underwriter for the Note. We estimate, however, that the Purchaser will incur the following expenses in connection with the issuance of the Note: \$9,000.00 Legal Fees and Costs-Bank's Counsel.

(b) To the best of my knowledge, no person has entered into any understanding with either you or the Purchaser, or both, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between you and the Purchaser or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Note.

(c) The Purchaser is purchasing the Note for its face amount and, accordingly, no underwriting spread is to be realized by the Purchaser.

(d) No management fee will be charged by the Purchaser.

(e) No fee, bonus or other compensation will be paid by the Purchaser in connection with the issuance of the Note to any person not regularly employed or retained by the Purchaser.

(f) The Purchaser is not a bond house, broker or other intermediary and is purchasing the Note as in investment for its own account and not with a view toward resale to the public at a profit. Notwithstanding the foregoing, however, the disposition of the Purchaser's property shall remain completely within its control. The Purchaser

acknowledges that, under present law, the resale of the Note by it is exempt from the registration requirements of Federal and Florida securities laws, but recognizes that it is possible that, at a future date, a change in law may occur which may subject a resale to the aforesaid registration requirements; the Purchaser agrees that if it shall resell the Note, such resale shall comply with all the applicable laws.

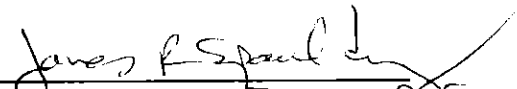
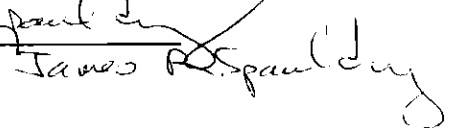
(g) St. Johns County (the "County") is proposing to issue \$6,000,000 of debt or obligation (in the form of the Note) for the purpose of funding certain capital improvements within certain Municipal Benefit Service Units ("MSBUS") created by the County pursuant to Section 125.01, Florida Statutes (the "Project"). The Note is expected to be repaid over a period of five years (under certain circumstances, at the end of the five year nonrevolving line of credit period, the obligation may be converted into a ten year fully amortized term loan). At a forecasted interest rate of 4.25% (approximate interest rate based on current market conditions, subject to change), total interest paid over the life of the Note will be \$ 70,290 (subject to change based upon the actual interest rate at the time of closing).

(h) The source of repayment or security for the Note is certain special assessments levied on real property located within the MSBUS in which the Project will be located (the "Designated Revenues"). Authorizing the issuance of the Note will result in approximately \$ 107,000 of the Designated Revenues moneys not being available to finance the other services of St. Johns County during each year of the term of the Note. The annual debt service payments stated in this paragraph (h) are based solely upon the assumptions set forth in paragraph (g) above and are subject to change.

The foregoing is provided for information purposes only and shall not affect or control the actual terms and conditions of the Note.

Very truly yours,

SUN BANK, NATIONAL ASSOCIATION

By:   
Kathryn Sikes   
Vice President