

RESOLUTION NO. 2001- 81

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, THAT SUPPLEMENTS ST. JOHNS COUNTY RESOLUTIONS 99-138 AND 2001-78; MAKES FINDINGS; PROVIDES DEFINITIONS; AUTHORIZES THE COUNTY TO BORROW \$2,800,000 (THE "SECOND LOAN") FROM THE POOLED COMMERCIAL PAPER PROGRAM OF THE FLORIDA LOCAL GOVERNMENT FINANCE COMMISSION; PLEDGES CERTAIN NON-AD VALOREM FUNDS TO THE PAYMENT OF THE SECOND LOAN; APPROVES THE TERMS AND CONDITIONS OF THE NOTE THAT WILL EVIDENCE THE SECOND LOAN; AUTHORIZES A NEGOTIATED SALE OF THE SECOND LOAN NOTE; AUTHORIZES THE EXECUTION AND DELIVERY OF THE SECOND LOAN NOTE; DIRECTS THE COUNTY ADMINISTRATOR TO ENSURE THAT CERTAIN TASKS ARE PERFORMED; AUTHORIZES THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS; AND PROVIDES AN EFFECTIVE DATE.

WHEREAS, on April 17, 2001 the Board of County Commissioners of St. Johns County, Florida (the "Board") adopted its resolution 2001-78 amending and supplementing its resolution 99-138, which together authorized, among other things, the Chairman to execute a Loan Agreement with the Florida Local Government Finance Commission (the "Commission") which conditionally authorizes the Board to borrow up to \$15,000,000 from the Commission to finance certain capital improvements, including the development, acquisition, construction, improving and equipping of a new Southeast Branch Library.

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

Section 1. St. Johns County Resolutions 99-138 and 2001-78 are hereby supplemented by the following sections of this resolution.

Section 2. The following words shall have the following meanings:

**"Second Loan"** means the \$2,800,000 that St. Johns County, Florida (the "County") will borrow from the Florida Local Government Finance Commission (the "Commission") under the Loan Agreement between the County and the Commission for the purpose of financing the Second Project.

**"Second Loan Note"** means the St. Johns County, Florida, Revenue Note payable to the order of the Florida Local Government Finance Commission to evidence the Second Loan.

“**Second Project**” means the development, acquisition, construction, improving and equipping of a new Southeast Branch Library to be located near the intersection of U.S. Highway 1 and State Road 206 in its Northeast quadrant.

Section 3. The Board finds, determines and declares the following:

A. The short length of time that is available to the County to obtain a loan to finance the Second Project; the length of the Second Loan repayment period; the amount of the Second Loan; and the nature of the security that the Board will pledge to secure the Second Loan Note require that the terms of the Second Loan Note be negotiated and sold at private sale rather than offered by competitive bid at public sale in order to assure the most favorable terms for the Board.

B. The Second Project and the financing thereof in the manner provided hereby serve a paramount County public purpose.

C. There are no Pledged Revenues, as such term is defined in the Loan Agreement, that secure the Second Note or the Second Loan.

Section 4. **Authorization of the Second Project.** The development, acquisition, construction, improving, and equipping of the Second Project is hereby authorized.

Section 5. A negotiated private sale of the Second Loan Note to the Florida Local Government Finance Commission at a sales price of \$2,800,000 (being the amount of the Second Loan) is hereby authorized. The Second Loan Note shall be in substantially the form of the Loan Note that is attached as an Exhibit to the Loan Agreement with the following terms, conditions and modifications:

- A. Principal Sum: \$2,800,000
- B. Date of Issuance: June 14, 2001.
- C. Final Maturity Date: September 7, 2004.
- D. Principal Repayment Schedule

<u>PRINCIPAL AMOUNT</u>	<u>DATE</u>
\$ 280,000.00	June 4, 2002
\$ 280,000.00	September 3, 2002
\$ 280,000.00	December 3, 2002
\$ 280,000.00	March 4, 2003
\$ 280,000.00	June 3, 2003
\$ 280,000.00	September 2, 2003
\$ 280,000.00	December 2, 2003
\$ 280,000.00	March 2, 2004

\$ 280,000.00  
\$ 280,000.00  
\$2,800,000.00

June 1, 2004  
September 7, 2004

- E. The Loan Note that is attached to the Loan Agreement shall be modified for the Second Loan Note by clarifying that the Second Loan Note is being issued to finance the costs of developing, acquiring, constructing, improving and equipping the new Southeast Branch Library to be located near the intersection of U.S. Highway 1 and State Road 206 in its Northeast quadrant and by clarifying that there are no Pledged Revenues that secure the Second Note or the Second Loan that it evidences.

The Chairman and the Clerk are authorized to execute and deliver the Second Note provided (i) that the closing statement that is attached to and made a part of the Second Note provides sufficient information for the County Administrator to determine the initial Estimated Monthly Rate (as such term is defined in the Loan Agreement) on the Second Loan on the date of issuance of the Second Note, (ii) that such initial Estimated Monthly Rate does not exceed 6 percent per annum, (iii) that the County Administrator has possession of the truth in bonding statement that is described in Section 8 below and, (iv) that the County Attorney has received the certificate described in Section 9 below.

Section 6. The Designated Revenues, as that term is defined in the Loan Agreement, are pledged to the repayment of the Second Loan and the Second Loan Note. There are no Pledged Revenues that are pledged to the payment of the Second Loan or the Second Loan Note. In accordance with section 4.03(a) of the Loan Agreement, the Board authorizes the Second Project to be funded from proceeds of the Second Loan.

Section 7. The County Administrator is directed to ensure that the notices and reports that are required by Section 218.38(1)(a) and (1)(c), Florida Statutes, in connection with the County's issuance of the Second Loan Note are timely made to the Division of Bond Finance of the State Board of Administration and that the interest on the Second Loan Note does not exceed the maximum rate of interest allowed by Section 215.84(3), Florida Statutes.

Section 8. The County Administrator is directed to ensure that at, or prior to, the closing of the sale of the Second Loan Note, (i) the Loan Agreement has been executed by the parties thereto and is still in force and (ii) the Florida Local Government Finance Commission provides to the County the truth-in-bonding statement pertaining to the Second Loan Note that is required by Section 218.385, Florida Statutes, and the information that is necessary to prepare the reports described in Section 7 above.

Section 9. The County Administrator is directed to cause a certificate to be delivered to the County Attorney prior to the closing of the sale of the Second Loan Note that certifies and confirms that the County's agreement to budget and appropriate sufficient legally available non ad valorem revenues in the manner and to the extent required by the Loan Agreement and the Second Loan Note does not breach the County's preexisting anti-dilution covenants that pertain to

the budgeting and appropriation of non-ad valorem revenues in relation to other current County debt and that it does not breach the County's covenant that is set forth in Section 6.04(c) of the Loan Agreement pertaining to the Second Loan and all other outstanding loans under the Loan Agreement. In the event that such a breach would occur, the County Administrator shall suspend the County's efforts to close the sale of the Second Loan Note and shall report that fact to the Board.

Section 10. The County Administrator is directed to ensure that Internal Revenue Service form 8038-G and the County's Certificate As To Arbitrage And Certain Other Tax Matters, or its equivalent, pertaining to the County's issuance of the Second Loan Note are timely executed by the County and delivered to the Internal Revenue Service.

Section 11. The members of the Board and the officers, attorneys and other agents or employees of the Board are hereby authorized to do all acts and things required of them by Resolution 99-138 as amended and supplemented, or desirable or consistent with the requirements of Resolution 99-138, as amended and supplemented, for the full punctual and complete performance of all the terms, covenants and agreements contained in Resolution 99-138, as amended and supplemented and in the Loan Agreement as they pertain to the Second Loan, and each appropriate member, employee, attorney and officer of the Board is hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out and closing the Second Loan contemplated by the Loan Agreement and Resolution 99-138, as amended and supplemented.

Section 12. Upon closing the sale of the Second Loan Note, the County Administrator is directed to ensure that a copy of the executed Second Loan Note is delivered to Foley & Lardner, Attn: Jean Mangu, Esquire, the County's bond counsel, for their records.

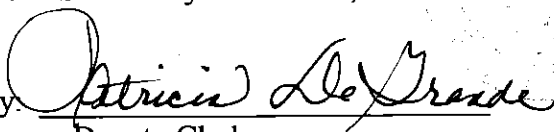
Section 13. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, State of Florida, this 24<sup>th</sup> day of April, 2001.

BOARD OF COUNTY COMMISSIONERS  
OF ST. JOHNS COUNTY, FLORIDA

By:   
Mary F. Kohnke, Chair

ATTEST: Cheryl Strickland, Clerk

By:   
Deputy Clerk

**St. Johns County**  
**Summary of Projected General Fund Effects - Southeast Library and Vaill Property**  
**at March 31, 2001**

**With Southeast Library Borrowing on June 14, 2001:**

	<u>Southeast Library</u>	<u>Vaill Property</u>	<u>Totals</u>	<u>Difference</u>
FY 01	\$3,139	\$238,747	\$241,886	\$3,139
FY 02	\$950,396	\$955,658	\$1,906,054	\$14,086
FY 03	\$1,561,618	\$926,024	\$2,487,642	\$2,780
FY 04	\$1,155,398	\$448,479	\$1,603,877	\$924
<b>Totals</b>	<u><u>\$3,670,551</u></u>	<u><u>\$2,568,908</u></u>	<u><u>\$6,239,459</u></u>	<u><u>\$20,929</u></u>

**With Southeast Library Borrowing on February 14, 2002:**

	<u>Southeast Library</u>	<u>Vaill Property</u>	<u>Totals</u>
FY 01	\$0	\$238,747	\$238,747
FY 02	\$936,310	\$955,658	\$1,891,968
FY 03	\$1,558,838	\$926,024	\$2,484,862
FY 04	\$1,154,474	\$448,479	\$1,602,953
<b>Totals</b>	<u><u>\$3,649,622</u></u>	<u><u>\$2,568,908</u></u>	<u><u>\$6,218,530</u></u>

**Notes:**

The County will be exempt from arbitrage as a small debt issuer if it does not seek cumulative financing of more than \$10 million during 2001. Otherwise, the effect of arbitrage may add an estimated \$75,000 to the January 14, 2001 option.

Books and materials cost for the Southeast Library is estimated at \$700,000 and \$350,000 is assumed to be funded in FY 2002 and FY 2003.

Public Buildings - Impact Fee reimbursement of \$243,139 (FY 02); \$515,000 (FY 03); and \$515,000 (FY 04) is estimated as available to reimburse the General Fund and effectively reduce the above total transfer if these funds are realized.

No assumption of a grant for the Vaill Property has been reflected above.