

RESOLUTION NO. 2002-1

A RESOLUTION OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA, AUTHORIZING THE NEGOTIATION OF A LOAN IN AN AGGREGATE AMOUNT NOT TO EXCEED \$5,200,000 FROM THE FLORIDA MUNICIPAL LOAN COUNCIL; APPROVING THE ACQUISITION, CONSTRUCTION AND ERECTION OF CERTAIN LAND AND CAPITAL PROJECTS; APPROVING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE FLORIDA MUNICIPAL LOAN COUNCIL; APPROVING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH THE MAKING OF SUCH LOAN; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units (the "Members") have created the Florida Municipal Loan Council (the "Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for qualified projects; and

WHEREAS, the Town of Southwest Ranches, Florida (the "Borrower"), a municipal corporation, is duly created and existing pursuant to the Constitution and laws of the State of Florida (the "State"); and

WHEREAS, the Borrower finds and declares that there is a substantial need for the financing or refinancing of qualifying projects permitted by Florida Statutes and the State Constitution; and

WHEREAS, the Borrower possesses the ability to finance such projects on its own, but has determined that a pooled financing program involving a limited number of local governmental units which regularly undertake projects requiring significant debt financing within the State of Florida would provide for low cost financing or refinancing of such projects through economies of scale, administrative support and access to expertise in accessing the capital markets; and

WHEREAS, it is anticipated that the benefits of a pooled financing by the Borrower with a limited number of governmental units through the Florida Municipal Loan Council may be obtained through promises to repay loans under the program and supported by a general covenant to budget and appropriate for such purpose, by a specific pledge of taxes or revenues or by a general obligation; and

WHEREAS, by pooling the respective financial needs of these certain various local governmental units, the Borrower will be able to access additional markets and expects to

receive the benefits of lower interest rates on more favorable terms associated with such a large scale financing with such benefits being obtained for and inuring to the Borrower; and

WHEREAS, the Council is in the process of issuing its Florida Municipal Loan Council Revenue Bonds, Series 2001A (the "Bonds") and is seeking to make loans (the "Loans") to governmental units; and

WHEREAS, in connection with the offering of the Bonds to the public, there will be prepared a Preliminary Official Statement (the "Preliminary Official Statement") and a final Official Statement (the "Official Statement") the use and distribution of which the Borrower desires to authorize and approve insofar as they relate to Borrower.

WHEREAS, it is hereby determined that a need exists to borrow funds to finance or refinance the cost of the acquisition, construction and/or equipping of the qualifying projects set forth on Exhibit A attached hereto (the "Project"); and

WHEREAS, it is determined to be in the best interest of the Borrower to borrow funds from the Council from the proceeds of the Bonds to finance the cost of the Project.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Southwest Ranches, Florida:

SECTION 1: **AUTHORITY.** This Resolution is adopted pursuant to Chapter 166, Florida Statutes, and other applicable provisions of law.

SECTION 2: **PROJECT.** The refinancing and/or financing of the acquisition, construction and erection of the Project is hereby approved.

SECTION 3: **NEGOTIATED LOAN.** Due to the complicated nature of the financing and the ability of the Council to access additional markets and for the Borrower to receive the benefits of lower interest rates and issuance costs, it is hereby determined that it is in the best interest of the Borrower that the Loan to the Borrower be made from the proceeds of the Bonds, as opposed to the Borrower borrowing funds pursuant to a public sale.

SECTION 4: **LOAN AMOUNT.** The amount of the Loan of the Borrower evidenced by the Loan Agreement shall not exceed \$5,200,000. Such Loan shall be made at a discount which shall include a pro-rata portion of costs of issuance incurred by the Council together with a pro-rata portion of a reserve fund surety cost and the Florida League of Cities, Inc. administrative fees and other ongoing costs and shall bear interest and shall be repayable according to the terms and conditions set forth in the Loan Agreement authorized pursuant to Section 5 hereof with such changes, insertions and omissions as may be approved by the Mayor and the Town Clerk. The redemption provisions, if any, relating to such Loan shall be as provided in the Loan Agreement.

SECTION 5: **AUTHORIZED OFFICERS.** The Mayor and the Town Administrator are hereby authorized and directed to execute and deliver a Loan Agreement to evidence the Loan, to be entered into by and between the Borrower and the Council in substantially the form attached hereto as Exhibit B with such changes, insertions and omissions as may be approved by the Mayor and Town Administrator, the execution thereof being conclusive evidence of such approval.

Further, the Mayor and the Town Administrator are hereby authorized and directed to execute and deliver a Continuing Disclosure Agreement concerning compliance with existing or proposed rules of the Securities and Exchange Commission concerning continuing disclosure by the Borrower, to be entered into by and between the Underwriter, the Borrower and the Council in substantially the form attached hereto as Exhibit C with such changes, insertions and omissions as may be approved by the Mayor and Town Administrator, the execution thereof being conclusive evidence of such approval.

SECTION 6: **RATES.** The Town Administrator or the Mayor is hereby authorized to approve the final rates of interest on the Bonds, and the redemption provisions thereof, if any, on behalf of the Borrower. The Town Administrator, the Mayor, or any other appropriate officers of the Borrower is hereby authorized and directed to execute and deliver a Bond Purchase Agreement, to be entered into by and between the Underwriter, the Borrower and the Council in substantially the form attached hereto as Exhibit D with such changes, insertions and omissions as may be approved by the Town Administrator or the Mayor, the execution thereof being conclusive evidence of such approval.

SECTION 7: **INDENTURE.** The Borrower hereby acknowledges and consents to the Bonds being issued pursuant to a Trust Indenture (the "Indenture") to be executed by the Council and a bank or trust company to be selected by the Council, as Trustee.

SECTION 8: **OTHER INSTRUMENTS.** The Mayor, the Finance Director, the Town Clerk or any other appropriate officers of the Borrower are hereby authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution, the Loan Agreement, the Indenture or any other document required by the Council as a prerequisite or precondition to making the Loan (including but not limited to the execution of all tax documents relating to the tax exempt status of the Loan), and any such representations and agreements made therein shall be deemed to be made on behalf of the Borrower. All action taken to date by the officers of the Borrower in furtherance of the issuance of the Bonds and the making of the Loan is hereby approved, confirmed and ratified.


Approval of Official Statement. The use and distribution of a Preliminary Official Statement and an Official Statement in substantially the form of the Preliminary Official Statement, and the approval thereof, insofar as they relate to the Borrower, the loan of Bond Proceeds and related matters are hereby authorized.

SECTION 9: **ADDITIONAL INFORMATION.** The Loan Agreement shall not be executed and delivered unless and until the Borrower has received all information required by Section 218.385, Florida Statutes.

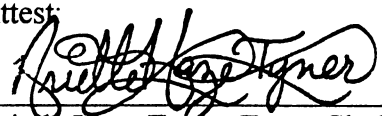
SECTION 10: **ADDITIONAL TERMS.** Pursuant to subsequent resolution, the Borrower may establish such additional terms as it may so determine to be in the best interests of the Borrower.

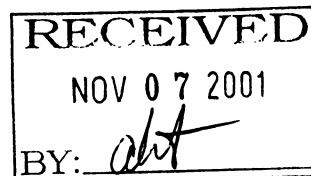
SECTION 11: **EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Town Council of the Town of Southwest Ranches, Florida, this 11th day of October 2001.

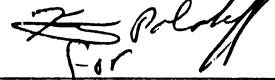

Mecca Fink, Mayor

Attest:


Arielle Haze Tyner, Town Clerk



Approved as to Form and Correctness:


Gary A. Poliakoff, J. D., Town Attorney



Certification

I certify this to be a true and correct copy of the record. WITNESSETH my hand and official seal of the Town of Southwest Ranches, Florida this 7 day of Nov. 2001 Town Clerk

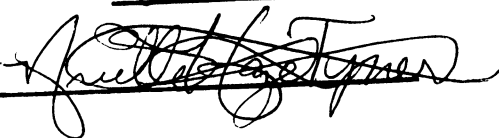
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EXHIBIT A

PROJECTS

Including, but not limited to: refunding certain outstanding obligations, acquisition of certain parks and recreational land and construction of improvements and recreational facilities thereon.

EXHIBIT B

FORM OF LOAN AGREEMENT

EXHIBIT C

FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT D

FORM OF BOND PURCHASE CONTRACT

673124_1.DOC



Town of Southwest Ranches

John Canada
Town Administrator
3111 Stirling Road
Fort Lauderdale, FL 33312
Phone: (954) 434-0008
Fax: (954) 434-0380
Email: jcanada@southwestranches.org

11/7/01

JoLinda L. Herring, Esquire
Bryant, Miller and Olive, P. A.
201 South Monroe Street, Suite 500
Tallahassee, Florida 32301

Dear Ms. Herring,

Attached is the information that you have requested. The Exhibit attachment will be included once the transaction is completed. The additional information that you have asked for concerning the refunding of outstanding obligations was previously faxed to you. We will express the certified copy of the resolution to you.

Thank you for your outstanding assistance and coordination.

Sincerely,



John Canada
Town Administrator

**RE: FLORIDA MUNICIPAL LOAN COUNCIL REVENUE BONDS, SERIES 2001A
LOAN TO THE TOWN OF SOUTHWEST RANCHES**

Please provide the following information:

1. The Federal ID number for your Town.

65-1036656

2. How many IRS 8038's have been prepared on behalf of your Town this year?

There have been two prepared. The first for \$1.0 million with Republic Security Bank and the second for \$2.8 million with Wachovia Bank.

3. Will your Mayor or Finance Director sign the IRS form 8038?

Mayor Mecca Fink will sign IRS form 8038

4. Verify the full names as used for execution of documents for your Mayor, Finance Director and Town Clerk.

Mayor – Mecca Fink
Town Administrator – John Canada
Town Clerk – Arielle Haze Tyner

5. Has you Town attorney reviewed the form of the opinion attached as Exhibit "C" to the Loan Agreement which he will render at closing?

Yes, as agreed to with Town Attorney.

6. Please provide us the name and address of your Town Attorney.

Gary A. Poliakoff, P. A.
3111 Stirling Road
Fort Lauderdale, Florida 33312

7. Do you have any other outstanding debt secured by the same revenues as this Loan?

\$1.0 million with Republic Security Bank (now Wachovia) and \$2.8 million with Wachovia. Both issues will be refunded with the proceeds of this issue.

FORM OF PAYMENT BOND

BOND #35BCSAP4305

Know All By these Presents:

That we Giannetti Contracting of Florida Inc., as Principal, hereinafter called CONTRACTOR, and Hartford Accident and Indemnity Company, as Surety, are bound to the Town of Southwest Ranches, hereinafter called TOWN in the amount of Thirty seven thousand Dollars (\$ 37,000.00) for the payment whereof CONTRACTOR and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.

WHEREAS, CONTRACTOR has by written agreement entered into a Contract, Bid/Contract No.: SUNSHINE RANCHES CULVERT CROSSING, awarded the 13th day of December, 2001 with TOWN for Sunshine Ranches Culvert Crossing in accordance with the Contract Documents prepared by Town of Southwestern Ranches which Contract Documents are by reference made a part hereof, and for the purposes of this Bond are hereafter referred to as the "Contract";

THE CONDITION OF THIS BOND is that if CONTRACTOR:

1. Pays TOWN all losses, damages, expenses, costs and attorneys fees including appellate proceedings, that TOWN sustains because of default by CONTRACTOR under the Contract, and
2. Promptly makes payments to all claimants as defined by Florida Statute 225.05(1) for all labor, materials and supplies used directly or indirectly by CONTRACTOR in the performance of the Contract;

THEN CONTRACTOR'S OBLIGATION SHALL BE VOID; OTHERWISE, IT SHALL REMAIN IN FULL FORCE AND EFFECT SUBJECT, HOWEVER, TO THE FOLLOWING CONDITIONS:

- 2.1. A claimant, except a laborer, who is not in privity with CONTRACTOR and who has not received payment for its labor, materials, or supplies shall,

Hartford Accident and Indemnity Company

Andrea R. Garcia

Shale Harno

By Angelo G. Zervos
(Agent and Attorney-in-Fact)

Address: 5445 Corporate Drive
(street)

Troy, MI 48098
(City / State / Zip Code)

Telephone No.: 800 872-8303

COUNTERSIGNATURE:

Don Bramlage
Don Bramlage, Florida Licensed Resident Agent

FORM OF CERTIFICATE AND AFFIDAVIT FOR BONDS \$500,000.00 OR LESS

EXHIBIT A-7A

PERFORMANCE AND PAYMENT GUARANTY FORM
UNCONDITIONAL LETTER OF CREDIT:

Date of Issue _____

Issuing Bank's No. _____

Beneficiary:

Applicant:

Town of Southwest Ranches
3111 Stirling Road
Fort Lauderdale, Florida 33312

Amount: _____
(in United States Funds)

Expiry:

(Date)

Bid / Contract Number _____

We hereby authorize you to draw on _____
(Bank, Issuer Name)

at _____ by order of
(Branch Address)

and for the account of _____
(Contractor, Applicant, Customer)

up to an aggregate amount, in United States Funds, of _____

available by your drafts at sight, accompanied by:

1. A signed statement from the Town of Southwest Ranches or the Administrator's authorized representative, that the drawing is due to default in performance of

certain obligations on the part of _____,
(Contractor, Applicant, Customer)

agreed upon by and between Town of Southwest Ranches and _____

_____ pursuant to the Bid / Contract
(Contractor, Applicant, Customer)

for Sunshine Ranches Equestrian Park- Culvert Crossing Project and Section
255.05, Florida Statues.

[If incorporated sign below.]
[If not incorporated sign below.]

CONTRACTOR

WITNESSES:

(Name)

By _____
(Signature)

(Type Name/Title Signed Above)

_____ day of _____, ____.

EXHIBIT A-7B
FORM OF CERTIFICATE AND AFFIDAVIT FOR BONDS \$500,000.00 OR LESS

TO: Town of Southwest Ranches

RE: BID NUMBER: _____

BIDDER: _____

Name: _____

Address: _____

City / State / Zip: _____

Phone: _____

AMOUNT OF BOND: _____

SURETY BOND COMPANY:

Name: _____

Address: _____

City / State / Zip: _____

Phone: _____

This is to certify that, in accordance with Chapter 85-104, Laws of Florida (HB 1266), the insurer named above:

Holds a certificate of authority authorizing it to write surety bonds in the State of Florida.

Has twice the minimum surplus and capital required by the Florida Insurance Code.

Holds a current valid certificate of authority issued by the United States Department of Treasury under sections 9304 through 9308 of Title 31 of the United States Code.

(Date Signed)

(Agent and Attorney-in-Fact)

AFFIDAVIT

State of Florida)
) SS.
County of)

The forgoing instrument was acknowledged before me this _____ day of _____, 20_____, by _____, Agent and Attorney-in-Fact of _____ who, is personally known to me or who has produced _____ as identification and who did / did not take an oath.

WITNESS my hand and official seal, this _____ day of _____, 20_____.

(SEAL)

(Signature of person taking acknowledgement)

(Name of officer taking acknowledgement)

(Title or rank)

(Serial number, if any)

My commission expires:

TO: Town of Southwest Ranches

RE: BID NUMBER: Sunshine Ranches Culvert Crossing

BIDDER: Giannetti Contracting of Florida Inc.

Name: Ricky L Giannetti

Address: 4371 NW 19th Ave

City / State / Zip: Pompano Beach, FL 33064

Phone: 954 978-0211

AMOUNT OF BOND: Thirty Seven Thousand and 00/100 (\$37,000.00)

SURETY BOND COMPANY:

Name: Hartord Accident and Indemnity Company

Address: 5445 Corporate Drive

City / State / Zip: Troy, MI 48098

Phone: 800 872-8303

This is to certify that, in accordance with Chapter 85-104, Laws of Florida (HB 1266), the insurer named above:

Holds a certificate of authority authorizing it to write surety bonds in the State of Florida.

Has twice the minimum surplus and capital required by the Florida Insurance Code.

Holds a current valid certificate of authority issued by the United States Department of Treasury under sections 9304 through 9308 of Title 31 of the United States Code.

December 19, 2001

(Date Signed)


(Agent and Attorney-in-Fact)
Angelo G. Zervos

AFFIDAVIT

State of ~~Florida~~ Michigan)
) SS.
County of Oakland)

The forgoing instrument was acknowledged before me this 7th. day of
January, 20 02, by Angelo G. Zervos,
Hartford Accident and
Agent and Attorney-in-Fact of Indemnity Company who, is personally
known to me or who has produced Drivers' License as identification
and who did / did not take an oath.

WITNESS my hand and official seal, this 7th. day of
January, 20 02.

(SEAL)

(Signature of person taking acknowledgement)

(Name of officer taking acknowledgement)

(Title or rank)

(Serial number, if any)

My commission expires:

PERFORMANCE AND PAYMENT GUARANTY FORM
UNCONDITIONAL LETTER OF CREDIT:

POWER OF ATTORNEY

THE HARTFORD

HARTFORD PLAZA
HARTFORD, CONNECTICUT 06115

☒ Hartford Fire Insurance Company
☒ Hartford Casualty Insurance Company
☒ Hartford Accident and Indemnity Company
☐ Hartford Underwriters Insurance Company

Twin City Fire Insurance Company ☐
Hartford Insurance Company of Illinois ☐
Hartford Insurance Company of the Midwest ☐
Hartford Insurance Company of the Southeast ☐

KNOW ALL PERSONS BY THESE PRESENTS THAT the *Hartford Fire Insurance Company, Hartford Accident and Indemnity Company and Hartford Underwriters Insurance Company*, corporations duly organized under the laws of the State of Connecticut; *Hartford Insurance Company of Illinois*, a corporation duly organized under the laws of the State of Illinois; *Hartford Casualty Insurance Company, Twin City Fire Insurance Company and Hartford Insurance Company of the Midwest*, corporations duly organized under the laws of the State of Indiana; and *Hartford Insurance Company of the Southeast*, a corporation duly organized under the laws of the State of Florida; having their home office in Hartford, Connecticut, (hereinafter collectively referred to as the "Companies") do hereby make, constitute and appoint, **up to the amount of unlimited:**

Gus E. Zervos, Stephen M. Zervos, Angelo G. Zervos, David C. Lange, Alan W. Peterson, Stephen E. Schurr, Shawn T. Hren
of
Southfield, MI

their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign its name as surety(ies) only as delineated above by ☒ and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

In Witness Whereof, and as authorized by a Resolution of the Board of Directors of the Companies on September 12th, 2000, the Companies have caused these presents to be signed by its Assistant Vice President and its corporate seals to be hereto affixed, duly attested by its Assistant Secretary. Further, pursuant to Resolution of the Board of Directors of the Companies, the Companies hereby unambiguously affirm that they are and will be bound by any mechanically applied signatures applied to this Power of Attorney.



Paul A. Bergenholtz

Paul A. Bergenholtz, Assistant Secretary

John P. Hyland

John P. Hyland, Assistant Vice President

STATE OF CONNECTICUT

COUNTY OF HARTFORD

ss. Hartford

On this 19th day of September, 2000, before me personally came John P. Hyland, to me known, who being by me duly sworn, did depose and say: that he resides in the County of Hartford, State of Connecticut; that he is the Assistant Vice President of the Companies, the corporations described in and which executed the above instrument; that he knows the seals of the said corporations; that the seals affixed to the said instrument are such corporate seals; that they were so affixed by authority of the Boards of Directors of said corporations and that he signed his name thereto by like authority.



CERTIFICATE

Jean H. Wozniak

Jean H. Wozniak
Notary Public

My Commission Expires June 30, 2004

I, the undersigned, Assistant Vice President of the Companies, DO HEREBY CERTIFY that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is still in full force effective as of December 19, 2001.

Signed and sealed at the City of Hartford.



Colleen Mastroianni

Colleen Mastroianni, Assistant Vice President

EXHIBIT A-7C

LETTER OF CREDIT

Drafts must be drawn and negotiated not later than _____.

(expiration date)

Drafts must bear the clause: "Drawn under Letter of Credit No. _____.

(number)

of _____ dated _____.

(Bank Name)

(date)

This Letter of Credit shall be renewed for successive periods of one (1) year each unless we provide the Contract Administrator with written notice of our intent to terminate the credit herein extended, which notice must be provided at least thirty (30) days prior to the expiration date of the original term hereof or any renewed one (1) year term. Notification to TOWN that this Letter of Credit will expire prior to performance of the CONTRACTOR'S obligations will be deemed a default.

This Letter of Credit sets forth in full the terms of our undertaking, and such undertaking shall not in any way be modified, or amplified by reference to any documents, instrument, or agreement referred to herein or to which this Letter of Credit is referred or this Letter of credit relates, and any such reference shall not be deemed to incorporate herein by reference any document, instrument, or agreement.

We hereby agree with the drawers, endorsers, and bona fide holders of all drafts drawn under and in compliance with the terms of this credit that such drafts will be duly honored upon presentation to the drawee.

Obligations under this Letter of Credit shall be released one (1) year after the Final Completion of the Project by the

(contractor, applicant, customer)

This Credit is subject to the "Uniform Customs and Practice for Documentary credits," International Chamber of Commerce (1984 revision), Publication No.400 and to the provisions of Florida law. If a conflict between the Uniform Customs and Practice for

Documentary credits and Florida law should arise, Florida law shall prevail. If a conflict between the law of another state or country and Florida law should arise, Florida law shall prevail.

(Authorized Signature)