

RESOLUTION NO. 2006 - 015

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA, APPROVING A CHANGE IN INTEREST RATE FROM TWO PERCENT (2%) TO A VARIABLE INTEREST RATE BEGINNING AT APPROXIMATELY 2.9 ON THE LINE OF CREDIT LOAN OF TEN MILLION (\$10,000,000) TO BE UTILIZED TO ASSIST THE TOWN IN FUNDING THE COST OF THE DEBRIS CLEAN UP DUE TO HURRICANE WILMA; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town is seeking a loan in order to finance certain extraordinary expenditures relating to the collection, disposal and general cleanup costs resulting from recent hurricane damage within the Town, including the reimbursement of certain costs incurred by the Town; and

WHEREAS, due to the extraordinary damage and costs caused by recent hurricanes, there is presently a need by the Town to finance this project, and the most cost-effective means by which to finance this is by use of monies obtained pursuant to the Program, by means of said Loan; and

WHEREAS, the Town Council authorized the borrowing of funds for the purposes stated herein, in an amount not exceeding \$10,000,000 in Resolution 2006-009; and

WHEREAS, the discounted interest rate understood by the Town Administrator has increased from two percent (2.0%) to a present rate of two point nine percent (2.9%) due to increases in the prime interest rates; and

WHEREAS, the maximum allowable interest rate under the Program is Twelve Percent (12%); and

WHEREAS, the discounted interest rate through the proposed Program is the lowest variable interest rate available to the Town at this time; and

WHEREAS, it is in the best interest of the Town of Southwest Ranches to proceed with the issuance of the proposed line of credit.

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

Section 1. The above referenced recitals are true and correct and are incorporated herein by reference.

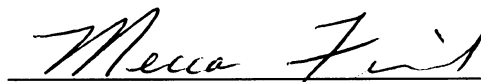
Section 2. The Town Council hereby approves the issuance of a line of credit for \$10,000,000 with a variable interest rate beginning at approximately 2.9%.

Section 3. The Town Council hereby authorizes the Mayor, Town Administrator and Town Attorney to proceed with the Loan pursuant to Resolution 2006-009, passed and adopted on November 21, 2005.

Section 4. This Resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Town Council of the Town of Southwest Ranches, Florida, this 8th day of December, 2005, on a motion by Council Member Aster Knight and seconded by Council Member Don Maines.

Fink	<u>Y</u>	Ayes	<u>5</u>
Blanton	<u>Y</u>	Nays	<u>0</u>
Knight	<u>Y</u>	Absent	<u>0</u>
Maines	<u>Y</u>	Abstaining	<u>0</u>
Nelson	<u>Y</u>		




Mecca Fink, Mayor

ATTEST:


Susan A. Owens, Town Clerk

Approved as to Form and Correctness:


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