

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF HERNANDO COUNTY, FLORIDA ACCEPTING THE PROPOSAL OF WEBSTER BANK, NATIONAL ASSOCIATION TO PROVIDE THE COUNTY WITH A TERM LOAN IN ORDER TO FINANCE COSTS OF THE ACQUISITION OF VEHICLES AND EQUIPMENT FOR THE COUNTY'S FLEET REPLACEMENT PROGRAM; APPROVING THE FORM OF A LOAN AGREEMENT; AUTHORIZING THE ISSUANCE OF THE HERNANDO COUNTY, FLORIDA NON-AD VALOREM REVENUE NOTE, SERIES 2023 PURSUANT TO SUCH LOAN AGREEMENT IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$4,500,000 IN ORDER TO EVIDENCE SUCH LOAN; AUTHORIZING THE REPAYMENT OF SUCH SERIES 2023 NOTE FROM A COVENANT TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES; DELEGATING CERTAIN AUTHORITY TO THE CHAIRMAN AND OTHER OFFICERS OF THE COUNTY FOR THE AUTHORIZATION, EXECUTION AND DELIVERY OF THE LOAN AGREEMENT, THE SERIES 2023 NOTE AND VARIOUS OTHER DOCUMENTS WITH RESPECT THERETO; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF HERNANDO COUNTY, FLORIDA:

SECTION 1. DEFINITIONS. When used in this Resolution, capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement (as defined herein), unless the context clearly indicates a different meaning.

"**Act**" shall mean the Florida Constitution, Chapter 125, Florida Statutes, and other applicable provisions of law.

"**Board**" shall mean the Board of County Commissioners of Hernando County, Florida.

"**Chairman**" shall mean the Chairman of the Board or, in his or her absence or unavailability, the Vice Chairman of the Board.

"**Clerk**" shall mean the Clerk of the Circuit Court and Comptroller of Hernando County, Florida and Ex-Officio Clerk of the Board of County Commissioners of Hernando County, Florida and such other person as may be duly authorized to act on her or his behalf, including any Deputy Clerk.

"County" shall mean Hernando County, Florida.

"County Administrator" shall mean the County Administrator of the County or, in his or her absence or unavailability, any Assistant County Administrator or a designee of the County Administrator.

"Financial Advisor" shall mean RBC Capital Markets, LLC, and its successors and assigns.

"Loan Agreement" shall mean the Loan Agreement to be executed between the initial Noteholder and the County, which shall be substantially in the form attached hereto as Exhibit C.

"Non-Ad Valorem Revenues" shall have the meaning assigned such term in the Loan Agreement.

"Noteholder" or **"Holder"** or **"holder"** or any similar term, when used with reference to the Note, shall mean Webster Bank, National Association and its successors and assigns.

"Project" shall mean the acquisition and equipping of various vehicles for the County's fleet replacement program, as generally described in Exhibit A attached hereto, and as more particularly described in the plans and specifications on file with the County, as the same may be amended and supplemented from time to time.

"Resolution" shall mean this Resolution, as the same may from time to time be amended, modified or supplemented by a supplemental resolution.

"Series 2023 Note" shall mean the Hernando County, Florida Non-Ad Valorem Revenue Note, Series 2023, as such Series 2023 Note is more particularly described in the Loan Agreement.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act. The County has ascertained and hereby determined that adoption of this Resolution is necessary to carry out the powers, purposes and duties expressly provided in the Act, that each and every matter and thing as to which

provision is made herein is necessary in order to carry out and effectuate the purposes of the County in accordance with the Act and to carry out and effectuate the plan and purpose of the Act, and that the powers of the County herein exercised are in each case exercised in accordance with the provisions of the Act and in furtherance of the purposes of the County.

SECTION 3. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of the Series 2023 Note by the Noteholder, the provisions of this Resolution shall be a part of the contract of the County with the Noteholder and shall be deemed to be and shall constitute a contract between the County and the Noteholder. The provisions, covenants and agreements in this Resolution set forth to be performed by or on behalf of the County shall be for the benefit, protection and security of the Noteholder.

SECTION 4. FINDINGS. It is hereby ascertained, determined and declared that:

(A) It is in the best interest of the County to undertake and implement the Project in order to improve and maintain the health, safety and welfare of the residents of the County.

(B) The County has determined that the most efficient and cost-effective method of financing a portion of the costs of the Project is through a term loan.

(C) The County's Financial Advisor solicited proposals from various financial institutions to provide a term loan to finance a portion of the costs of the Project.

(D) The Noteholder submitted its proposal to provide the County with a term loan to finance a portion of the costs of the Project, which proposal was the most favorable proposal received by the County and is attached hereto as Exhibit B.

(E) The Series 2023 Note shall evidence such term loan and shall be repaid solely from the Non-Ad Valorem Revenues in the manner and to the extent set forth herein and in the Loan Agreement and the ad valorem taxing power of the County will never be necessary or authorized to pay said amounts.

(F) Due to the potential volatility of the market for municipal obligations such as the Series 2023 Note and the complexity of the transactions relating to the Series 2023 Note and the competitive nature of the solicitation process utilized in obtaining proposals for the financing of the Project, it is in the best interest of the County to issue the Series 2023 Note by a negotiated sale to the Noteholder, allowing the County to sell and issue the Series 2023 Note at the most advantageous time, rather than at a specified advertised date, thereby permitting the County to obtain the best possible price, terms and interest rate for the Series 2023 Note.

(G) It is not reasonably anticipated that more than \$10,000,000 of tax-exempt obligations as defined under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), will be issued by the County during calendar year 2023.

SECTION 5. AUTHORIZATION OF THE PROJECT AND THE FINANCING. The Project is hereby authorized and the financing of a portion of the costs thereof with proceeds of the Series 2023 Note is also hereby authorized and approved.

SECTION 6. ACCEPTANCE OF PROPOSAL. The County hereby accepts the proposal of the Noteholder to provide the County with a term loan to finance a portion of the costs of the Project, a copy of which proposal is attached hereto as Exhibit B. The County Administrator is hereby authorized to execute and deliver any documents required to formally accept such proposal and the terms thereof. All actions taken by officers of the County or their designees and the Financial Advisor with respect to such proposal prior to the date hereof are hereby authorized and ratified. To the extent of any conflict between the provisions of this Resolution or the Loan Agreement and the proposal, the provisions of this Resolution and the Loan Agreement shall prevail.

SECTION 7. APPROVAL OF FORM OF LOAN AGREEMENT AND SERIES 2023 NOTE. The County hereby approves a term loan from the Noteholder in the principal amount of not to exceed \$4,500,000. The terms and provisions of the Loan Agreement in substantially the form attached hereto as Exhibit C are hereby approved, with such changes, insertions and additions as the Chairman may approve. The County hereby authorizes the Chairman to execute and deliver, and the Clerk to attest and affix the County seal to, the Loan Agreement substantially in the form attached hereto as Exhibit C, with such changes, insertions and additions as the Chairman may approve, his execution thereof being conclusive evidence of such approval. In order to evidence the loan under the Loan Agreement, it is necessary to provide for the execution of the Series 2023 Note. The Chairman and the Clerk are authorized to execute and deliver the Series 2023 Note substantially in the form attached to the Loan Agreement as Exhibit A to the Loan Agreement with such changes, insertion and additions as they may approve, their execution thereof being evidence of such approval. The Series 2023 Note shall have a final maturity of May 1, 2033, and the interest rate shall be 3.90% per annum. The Chairman shall determine, with the advice of the Financial Advisor, the principal amount of the Series 2023 Note and the principal repayment schedule for the Series 2023 Note and all of the other terms of the Series 2023 Note shall be set forth in the Loan Agreement and the Series 2023 Note.

SECTION 8. LIMITED OBLIGATION. The obligation of the County to repay the Series 2023 Note is a limited and special obligation payable from Non-Ad Valorem Revenues solely in the manner and to the extent set forth in the Loan 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. The Non-Ad Valorem Revenues shall consist of legally available Non-Ad Valorem Revenues

budgeted and appropriated by the Board to pay debt service on the Series 2023 Note, all in the manner and to the extent described in the Loan Agreement.

SECTION 9. DESIGNATION OF THE SERIES 2023 NOTE AS A QUALIFIED TAX-EXEMPT OBLIGATION. The County hereby designates the Series 2023 Note as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code. This designation is based upon the findings of the County set forth in Section 4(G) hereof and the Chairman and the County Administrator are each authorized to certify such finding upon the issuance of the Series 2023 Note.

SECTION 10. GENERAL AUTHORIZATION. The Chairman, the County Administrator and the Clerk are authorized to execute and deliver such documents, instruments and contracts, whether or not expressly contemplated hereby; and the County Attorney and other employees or agents of the County are hereby authorized and directed to do all acts and things required hereby or thereby as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein and therein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution.

SECTION 11. REPEAL OF INCONSISTENT DOCUMENTS. All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 12. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

PASSED AND DULY ADOPTED this 13th day of June 2023.

HERNANDO COUNTY, FLORIDA

(SEAL)

By: _____
Chairman, Board of County Commissioners

ATTESTED:

Clerk of the Circuit Court and
Comptroller and Ex-Officio Clerk of the
Board of County Commissioners

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

County Attorney's Office

EXHIBIT A

GENERAL DESCRIPTION OF THE PROJECT

The Project generally includes the following vehicles (and related and necessary equipment), as the same may be amended and supplemented from time to time.

- Fire Apparatus
- Ladder Truck
- Grapple Truck
- Excavator
- Safety Trailer
- 333G Skidsteer
- Chipper
- Harvester
- Service Truck
- 1500 Trucks - Double
- 1500 Truck - Crew

EXHIBIT B

Proposal of Webster Bank, National Association

EXHIBIT C

Form of Loan Agreement