

RESOLUTION NO. 94-12

A RESOLUTION AUTHORIZING THE NEGOTIATED SALE OF \$1,000,000 CITY OF SPRINGFIELD, FLORIDA, CABLE TELEVISION SYSTEM REVENUE BONDS, SERIES 1994; AWARDED THE SALE THEREOF TO SUN BANK/WEST FLORIDA, A FLORIDA BANKING CORPORATION, SUBJECT TO THE TERMS AND CONDITIONS OF A LETTER OF COMMITMENT; APPOINTING A REGISTRAR AND PAYING AGENT; DESIGNATING THE BONDS AS BANK QUALIFIED; PROVIDING FOR THE SMALL ISSUER EXCEPTION FROM REBATE; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Springfield, Florida (the "Issuer") has by resolution adopted on November 7, 1994 (the "Resolution"), authorized the issuance of its \$1,000,000 Cable Television System Revenue Bonds, Series 1994 (the "Bonds"), to (i) finance a part of the cost of the acquisition and construction of improvements to the cable television system of the Issuer described in the Resolution, (ii) to refund certain outstanding obligations of the Issuer, and (iii) pay certain costs of issuing the Bonds; and

WHEREAS, due to the present instability in the market for revenue obligations the interest on which is excluded from federal gross income, the critical importance of the timing of the sale of the Bonds and due to the willingness of Sun Bank/West Florida (the "Bank"), to purchase \$1,000,000 in aggregate principal amount of the Bonds, it is hereby determined that it is in the best interest of the public and the Issuer to sell the Bonds at a negotiated sale; and

WHEREAS, the Issuer has received an offer from the Bank to purchase the Bonds, subject to the terms and conditions set forth

in the Letter of Commitment (the "Letter of Commitment"), a copy of which is attached hereto as Exhibit "A"; and

WHEREAS, the Issuer now desires to sell its Bonds pursuant to the Letter of Commitment; and

WHEREAS, the Issuer has been provided all applicable disclosure information required by Section 218.385, Florida Statutes, a copy of which is attached hereto as Exhibit "B";

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SPRINGFIELD, FLORIDA, AS FOLLOWS:

SECTION 1. The negotiated sale of \$1,000,000 City of Springfield, Florida, Cable Television System Revenue Bonds, Series 1994, is hereby authorized and approved.

SECTION 2. The Bonds are hereby sold to the Bank upon the terms and conditions set forth in the Letter of Commitment attached hereto as Exhibit "A" and incorporated by reference.

SECTION 3. The Bonds shall be dated as the date of delivery, shall bear interest at the rate, and be subject to certain other terms as set forth in the Letter of Commitment.

SECTION 4. The Bonds shall be issued under and secured by the Resolution and shall be executed and delivered by the Mayor of the Issuer and attested by the City Clerk in substantially the form set forth in the Resolution, with such additional changes and insertions therein as conform to the provisions of the Letter of Commitment, and such execution and delivery shall be conclusive evidence of the approval thereof by such officers.

SECTION 5. The City Clerk is hereby appointed to serve as Registrar and Paying Agent for the Bonds.

SECTION 6. The Issuer designates the Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Issuer and any subordinate entities of the Issuer and any issuer of "tax-exempt" debt that issues "on behalf of" the Issuer do not reasonably expect during calendar year 1994 to issue more than \$10,000,000 of "tax-exempt" obligations, exclusive of any private activity bonds, as defined in Section 141(a) of the Code.

SECTION 7. In accordance with the Code, the Issuer represents and covenants that it is a governmental unit with general taxing powers; that the Bonds are not private activity bonds as defined in Section 141(a) of the Code; that 95% or more of the net proceeds of the Bonds (i.e., the face amount of the Bonds), are to be used for the local governmental activities of the Issuer and that the aggregate face amount of all obligations of the Issuer (including all subordinate entities of the Issuer and entities, if any, which issue bonds on behalf of the Issuer), the interest on which is not includable in federal gross income (other than private activity bonds as defined in Section 141(a) of the Code), issued during the calendar year 1994 will not exceed \$5,000,000.

SECTION 8. The Issuer hereby authorizes the use of \$15,000 of the proceeds of the Bonds to pay the costs of issuing the Bonds.

SECTION 9. The Mayor of the City Commission of the Issuer and the City Clerk or other appropriate officers of the Issuer are

hereby authorized and directed to execute any and all certifications or other instruments or documents required by the Resolution, the Letter of Conditions, this Resolution or any other document referred to above as a prerequisite or precondition to the issuance of the Bonds and any such representation made therein shall be deemed to be made on behalf of the Issuer. All action taken to date by the officers of the Issuer in furtherance of the issuance of the Bonds is hereby approved, confirmed and ratified.

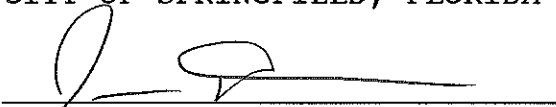
SECTION 10. All prior resolutions of the Issuer inconsistent with the provisions of this resolution are hereby modified, supplemented and amended to conform with the provisions herein contained and except as otherwise modified, supplemented and amended hereby shall remain in full force and effect.

SECTION 11. This resolution shall take effect immediately upon its adoption.

ADOPTED this 7 day of November, 1994.

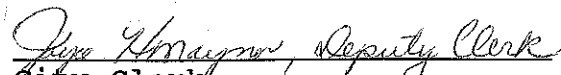
CITY OF SPRINGFIELD, FLORIDA

(SEAL)



Mayor

ATTEST:



Deputy Clerk
City Clerk

EXHIBIT A

Commitment from SunBank/West Florida



SunBank/West Florida
P.O. Box 2180
Panama City, Florida 32402
904 872-6000

October 27, 1994

Honorable Jerre Deason, Mayor
City of Springfield Florida
3529 East 3rd Street
Springfield, Florida 32401

Re: Revised Loan Commitment

Dear Mayor Deason:

I am pleased to inform you of SunBank/West Florida's commitment to lend not more than \$1,000,000 subject to the following terms and conditions:

LENDER: SunBank/West Florida

BORROWER: City of Springfield

PURPOSE: To provide funds for the refinancing of the existing indebtedness to SunBank, plus provide funds for the expansion and upgrading of the existing cable system of the City of Springfield.

GUARANTOR: N/A

AMOUNT: \$1,000,000

RATE: Tax-free = 75% of SunBank Prime, adjustable daily.
If taxable - 95% of SunBank Prime, adjustable daily.

FEES: None.

TERMS: This loan will be amortized with monthly payments of principal and interest over a 10 year period.

COLLATERAL: A first lien on revenues associated with the cable system of the City of Springfield. This includes but is not limited to:
A. The net revenues of the cable system.
B. The funds in the Reserve Account.
C. The funds in the cable system operating accounts.

**OTHER CONDITIONS
& REQUIREMENTS:**

1. The City of Springfield will provide to the Lender a legal opinion acceptable to the Lender as to whether the status of this loan qualifies as taxable or tax-free to the Lender.
2. The City of Springfield will provide evidence to the bank that it has agreed to impose a minimum rate structure for cable services as listed on Exhibit A during the term of this loan.
3. The City of Springfield will agree to impose a franchise fee in the amount of 5% on all cable systems operating within the City of Springfield.
4. **RESERVE ACCOUNT:** The City will establish at the time of the closing of the Loan, and maintain while the Loan is outstanding, a cash reserve account with the Bank. The City will fund the reserve account during the first 12 months by making additional payments of \$2,200, which will go to the reserve account. The reserve account will thereafter be adjusted annually to an amount equal to 20% of the prior years annual principal and interest payments. This account will be pledged as additional collateral for the Loan.
5. The City of Springfield will agree to provide funds from other sources to support the repayment of the Loan if the sum of the cable system's excess cash plus the net cash flow from operations, minus the capital expenditures is less than the annual principal and interest payments.
6. The City of Springfield will maintain its existing cable system accounts with bank during the term of this Loan.
7. The City covenants and agrees that it will not pledge any of its cable system revenues for any other purpose or to secure any other obligations without the Bank's consent. Provided, however, this covenant does not prohibit the City from using any excess revenues over amounts necessary to support the Loan repayment, creation and maintenance of Reserve Account, and operating expenses for other City purposes, so long as the Loan is not in default.

**FINANCIAL
STATEMENT:**

Borrower shall provide Lender sworn financial statements in form acceptable to Lender from time to time as requested by Lender.

CLOSING COSTS:

Borrower shall pay all costs associated with the closing of this loan. In the event that you accept this commitment and fail to proceed with the closing of the loan, you will be responsible for all expenses incurred by the bank.

OTHER DOCUMENTS:

Borrower will execute and deliver in favor of Lender such additional document or documents as may be required at closing, or after closing as may be deemed necessary, in the opinion of Lender or its legal counsel.

**CANCELLATION
OF COMMITMENT:**

A) If all applicable conditions contained herein have not been met to the reasonable satisfaction of Lender, then Lender may, at its option, cancel this Commitment without further notice or obligations.

B) Upon Borrowers' commission of an act of bankruptcy, making a general assignment for the benefit of creditors, or if there is filed by or against Borrowers a petition in bankruptcy or for the appointment of a receiver, or if there commences under bankruptcy or insolvency law proceedings for Borrowers' relief or adjustment of any of its obligations, or if Borrowers' business is discontinued as a going concern, or if there is a suspension of business or default on any other obligation Borrowers may have to Lender, or in case of the issuance of any warrant or attachment against any of Borrowers' property or the taking of possession of, or assumption of control of, all or any substantial part of the property of Borrowers' business by any government agency, then this Agreement shall be terminable at the option of Lender.

C) Upon any adverse change in the financial condition of Borrowers or upon the default by Borrowers under any obligation of Borrowers to any third party, this Agreement shall be terminable at the option of Lender.

MATTERS OF CONCURRENCE:

The Borrower(s) shall comply (prior to closing) with all matters and requirements of the Lender, and Lender's legal counsel, necessary to assure compliance with any and all legal matters and ordinances governing the use of the property pledged as collateral.

This Commitment is subject to the accuracy of all information, representations and materials submitted with or in support of the application for the loan; and the failure of the accuracy thereof or any material changes therein shall, at the option of Lender, operate to terminate this Commitment and all of Lender's obligations hereunder.

Neither this Commitment nor any of the proceeds of the Loan shall be assignable by Borrowers without prior written consent of Lender, and any attempt to make such assignment without such consent shall be void.

Except for the provisions under "CANCELLATION OF COMMITMENT", the provisions of this Loan Commitment shall survive the closing of the Loan and be binding upon the parties so long as the Loan is outstanding.

If this Commitment is satisfactory to you, please sign your acceptance of same in the space provided and return it to us so that we receive same not later than seven (7) days from the date hereof. If not received by us by that date, the Commitment shall stand automatically cancelled.

We stand ready to close this loan promptly upon receipt of all of the required material. If the Loan is not closed within sixty (60) days from date of this letter, however, this Commitment will then stand terminated and we will be released from any further obligation to you relative to same.

SunBank/West Florida

BY: James R. Loecker
James R. Loecker, Senior Vice President

The undersigned, being the Borrower named in the foregoing Commitment, hereby accepts such Commitment and the terms and conditions set forth hereinabove, this 28 day of Oct, 1994.

City of Springfield

BY: Jerre Deason
Jerre Deason, Mayor

EXHIBIT "B"

DISCLOSURE STATEMENT

(1) An itemized list of estimated expenses to be incurred by SunBank/West Florida in connection with the issuance of the Bonds.

Attorney's fees	\$5,000.00
Misc. costs for fax, copies & L/d phone calls (estimated)	150.00

(2) The names, addresses, and estimated amounts of compensation of any person who enters into an understanding with either the Issuer or SunBank/West Florida, or both, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and SunBank/West Florida or who exercises or attempts to exercise any influence to affect any transaction in the purchase of the Bonds.

NONE

(3) The amount of underwriting spread expected to be realized.

NONE

(4) The amount of the management fee to be charged by SunBank/West Florida.

NONE

(5) Any other fee, bonus, and other compensation estimated to be paid by SunBank/West Florida in connection with the bond issue to any person not regularly employed or retained by SunBank/West Florida.

NONE

(6) The name and address of SunBank/West Florida.

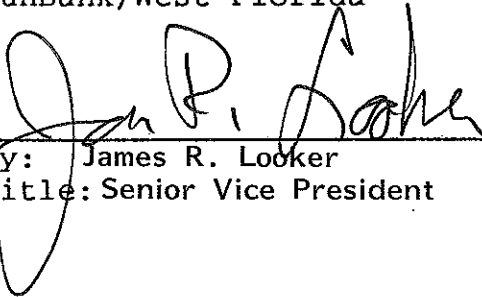
SunBank/West Florida
P. O. Box 2180
Panama City, Florida 32402

(7) The City of Springfield is proposing to issue the Bonds for the purpose of providing funds which, together with other available funds of the City of Springfield will be used to finance the cost of the acquisition and construction of improvements to the cable television system of the City, to make a deposit into the Reserve Account, and to pay certain costs of issuance of the Bonds. The Bonds are expected to be repaid over a period of ten (10) years. At an assumed interest rate of 5.81 % total interest paid over the life of the Bonds would be \$ 320,827.18.

(8) The source of repayment or security for the Bonds is the Net Revenues derived from the operation of the cable television system and certain other legally available non ad-valorem revenues of the City. Assuming an interest rate of 5.81%, authorizing these Bonds will result in a maximum of \$1,347,227.00 of the City of Springfield's Net Revenues not being available to finance the other services of the City of Springfield each year during the term of the Bonds.

Respectfully submitted,

SunBank/West Florida



By: James R. Locker
Title: Senior Vice President