

RESOLUTION NO. 98-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SPRINGFIELD, FLORIDA, AUTHORIZING THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO THE CITY'S CABLE TELEVISION SYSTEM; AUTHORIZING THE BORROWING OF FUNDS TO FINANCE SUCH ACQUISITION AND CONSTRUCTION AND TO REFINANCE EXISTING DEBT ARISING FROM PREVIOUS EXPENDITURES RELATED TO THE CABLE TELEVISION SYSTEM; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT IN CONNECTION WITH THE BORROWING OF SUCH FUNDS; AUTHORIZING THE ISSUANCE OF A PROMISSORY NOTE IN THE PRINCIPAL AMOUNT OF \$1,100,000; FINDING IT IS IN THE BEST INTEREST OF THE CITY TO NEGOTIATE THE SALE OF THE NOTE AND AUTHORIZING THE SALE OF SAID NOTE TO BARNETT BANK, N.A.; DESIGNATING THE PROMISSORY NOTE AS A "QUALIFIED TAX-EXEMPT OBLIGATION" WITHIN THE MEANING OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; SECURING PAYMENT OF THE NOTE BY PLEDGING REVENUES FROM THE CITY'S CABLE TELEVISION SYSTEM AND ADDITIONALLY PROVIDING FOR PAYMENT FROM OTHER LEGALLY AVAILABLE FUNDS; AUTHORIZING THE CITY CLERK AND THE MAYOR OR THE VICE-MAYOR TO EXECUTE SUCH AGREEMENTS, INSTRUMENTS, DOCUMENTS OR CERTIFICATES NECESSARY OR DESIRABLE IN CONNECTION WITH THE FOREGOING; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED by the City Council (the "Council") of the City of Springfield, Florida (the "City") as follows:

SECTION 1. It is hereby found and determined for the benefit of its inhabitants, that it is necessary for the continued welfare and convenience of the City and its inhabitants to expand its cable television system and to make improvements to the City's water and sewer system (the "Project") and to refinance its City of Springfield, Florida Cable Television System Revenue Bonds, Series 1994 (in the original principal amount of \$1,000,000) (the "Refunded Debt") arising from previous expenditures related to the cable television system. The acquisition and construction of such improvements are here by authorized.

SECTION 2. To finance the Project and to refund the Refunded Debt, the Council hereby authorizes and approves a loan by the City from Barnett Bank, N.A. (the "Bank") in the principal amount of \$1,100,000 substantially upon the terms and

conditions set forth in the Loan Agreement, dated as of May 7, 1998, by and between the City and the Bank (the "Loan Agreement") attached hereto as Exhibit 1 and by this reference thereto hereby incorporated herein and made a part hereof, and authorizes and approves the execution and delivery of its City of Springfield, Florida, Cable Television Revenue Note, Series 1998A, in the principal amount of \$1,100,000 (the "Note") to evidence such indebtedness in the form attached to the Loan Agreement as Exhibit A.

SECTION 4. The Council finds a negotiated sale of the Note to the Bank is in the best interest of the City by reason of the nature of and schedule for the contemplated completion of the Project and because the Note will not be rated or credit enhanced.

SECTION 5. The City hereby pledges the proceeds of the Note until spent for the purposes described herein and pledges the revenues of the City's cable television system to the payment of the Note as set forth in Section 3.2 of the Loan Agreement and hereby establishes the City of Springfield Cable Television System Revenue Fund for the deposit of such pledged revenues.

SECTION 6. The City covenants to budget and appropriate from legally available non-ad valorem funds amounts necessary to timely make all payments on the Note, when due, as provided in Section 3.3 of the Loan Agreement.

SECTION 7. The Council of the City hereby certifies that it does not reasonably expect to issue more than \$10,000,000 in aggregate principal amount of tax-exempt obligations (including the principal amount of the Note) in the current calendar year. For purposes of qualifying the Note for the exception contained in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), the Council hereby designates the Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code.


SECTION 8. The Mayor of the City or, in his absence, Vice-Mayor of the City are hereby authorized and directed to execute and deliver, and the City Clerk of the City is hereby authorized and directed to attest (collectively, the "Designated Agents"), the Loan Agreement in substantially the form attached hereto as Exhibit 1 and the Note in substantially the form attached as Exhibit A to the Loan Agreement, with such changes to those documents as may be approved by the Mayor or Vice-Mayor of the City. The Designated Agents are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, documents, certificates and opinions for and on behalf of the City which are necessary or desirable in connection with the execution and delivery of the Loan Agreement and the Note and which are not inconsistent with the terms and provisions of this Resolution.

SECTION 9. This Resolution shall become effective upon signature by the Mayor of the City.

(SEAL)


CITY OF SPRINGFIELD, FLORIDA

ATTEST:

By: 
Name: Jerre Deason
Title: Mayor

By: 
Name: Charles A. Yautz
Title: City Clerk

APPROVED AS TO FORM AND LEGALITY:

By: 
Name: Donald J. Banks
Title: City Attorney

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