

**ST. PETERSBURG CITY COUNCIL  
BUDGET, FINANCE & TAXATION COMMITTEE**

**AGENDA**

September 28, 2017  
08:00 – City Hall – Room 100

Members & Alternate: Budget, Finance & Taxation Committee: Chair James R. “Jim” Kennedy, Jr.; Vice Chair Charles Gerdes; Karl Nurse; Darden Rice; and Ed Montanari (alternate).

Support Staff: Kewa Wright, City Council Administrative Aide  
Cindy Sheppard, City Council Administrative Officer

**A. Call to Order**

**B. Approval of Agenda**

**C. Approval of Minutes**

1. **August 17, 2017**

2. **August 24, 2017**

**D. New/Deferred Business**

1. **September 28, 2017**

a. Utility Rate Study (**Anne Fritz/Claude Tankersley**)

**E. Upcoming Meetings Agenda Tentative Issues**

1. **October 12, 2017**

a. 2018 Management Evaluation (**Brad Scott**)

2. **October 26, 2017**

a. 3<sup>rd</sup> Quarterly Grants Report (**Shrimatee Ojah-Maharaj**)

b. Customer Assistance Programs for Utilities (**Kim Streeter**)

**F. New Business Item Referrals**

**G. Adjournment**

ST. PETERSBURG CITY COUNCIL  
BUDGET, FINANCE & TAXATION COMMITTEE

Minutes

August 17, 2017

8:00 – City Hall – Room 100

**Present:** Committee Members - Chair James R. “Jim” Kennedy, Jr., Vice-Chair Charles Gerdes, Karl Nurse, Darden Rice and Ed Montanari (alternate).

**Also:** Council Member Steve Kornell; Chief Assistant City Attorney, Jeannine Williams; Assistant City Attorney, Jane Wallace; Assistant City Attorney, Heather Judd; City Administrator, Dr. Gary Cornwell; Public Works Administrator, Claude Tankersley; Finance Director, Anne Fritz; Budget Director, Tom Greene; Administrative Aide to City Council, Kewa Wright; Senior Deputy City Clerk, Cathy E. Davis

**A. Call to Order**

Chair Kennedy called the meeting to order at 8:00 am with the above persons present.

**B. Approval of Agenda**

In connection with the approval of the August 17<sup>th</sup> meeting agenda, Council Member Gerdes made a motion that the agenda be approved as written. All were in favor of the motion. Ayes. Kennedy. Gerdes. Nurse, Rice. Nays. None.

**C. Approval of Minutes**

**1. July 27, 2017**

In connection with the approval of the July 27<sup>th</sup> meeting minutes, there was an amendment to remove Council Member Montanari as a voting member since he is an alternate. Council Member Gerdes made a motion that the minutes be approved as amended. All were in favor of the motion. Ayes. Kennedy. Gerdes. Nurse, Rice. Nays. None.

**D. New/Deferred Business**

**1a. Airbnb to collect sales tax and tourist taxes from guests.** Attorney Judd provided the committee with information regarding the City’s inability to enforce the vacation rental ordinance if we collect sales tax from Pinellas County. She indicated that it does not affect our ability. The vacation rental ordinance is part of our zoning code, therefore we do not have a total ban on vacation rentals. It is allowable in the same zoning areas that hotels, bed and breakfasts and other type uses are allowed. CM Gerdes inquired if we can amend the ordinance for condominium associations if they wanted transient rentals on their property. Attorney Judd stated there was a process in place called resort facilities overlay that associations can request through the Zoning and Planning Department and the ordinance would not have to be amended.

CM Montanari shared information he learned at a recent meeting regarding a tool/application that tracks homes that go up on Airbnb sites. CM Gerdes asked administration if the City could look into acquiring this tool. CM Kennedy inquired if the courts are more likely to enforce violation of the ordinance that are complaint driven. Attorney Judd indicated that the courts will enforce the action itself and complaints are a bonus because it enhances penalties for repeat offenders. There was some general discussion regarding preemption litigation and how it has been an issue for many states.

**2a. PILOF Discussion.** CM Kornell started the discussion with a proposal to chargeback \$2 million dollars from the general fund and put it into the enterprise fund in order for it to be used to pay cash for a higher proportion of cash for our Water Resources Capital projects. This proposal represents 1% of the general fund

budget and would go into effect next year's budget cycle. Attorney Wallace and Mr. Greene stated they had no concerns with the proposal. Dr. Cornwell asked the committee to keep in mind the Penny for Pinellas vote in November and the increase in homestead exemption vote in November of 2018 when discussing general fund transfers, which could impact police, public safety and parks and recreation.

CM Rice expressed reservations about taking the \$2 million out of the general fund before the Penny for Pinellas vote and that is premature to lock in those funds in at this time. She also stated we need to wait until we find out what is happening with the bigger picture, preserve our flexibility and look for ways to be creative.

There was some general discussion on water cost stabilization funds and bond holder consent. CM Gerdes inquired about the historical perspective of PILOT and PILOF. CM Kennedy explained that the concept was to have these as independent utilities and/or separate businesses paying their own way and the rate payers paying their own way. He stated that enterprise funds can actually become their own entity, which can lead to them having their own revenue sources and their expenses. Mr. Greene indicated that Water Resources, Stormwater, and Sanitation pay the combined PILOT and PILOF and Marina, Parking and Golf Courses pay PILOT.

CM Rice expressed concerns about how this may jeopardize our negotiating position with other utilities if we change the formula. Attorney Williams explained that this is an agreement and government is exempt. CM Kornell asked if Mr. Tankersley can comment on the life span of infrastructure. Mr. Tankersley indicated that a typical life space with proactive maintenance is from 20-50 years depending on the product. He gave an example regarding our waste water plants being close to the water and the steel, concrete and rebar can deteriorate quickly without proactive maintenance to stretch out the life span.

CM Montanari asked when the financial feasibility study will be completed. Ms. Fritz indicated October of 2018.

**CM Gerdes made a motion to ask the Budget Department for the FY19 budget initial presentation to include a general fund transfer back to Water Resources of \$2 million dollars. Approved. Ayes: Gerdes, Nurse, Rice. Nays: Kennedy.**

#### **E. Upcoming Meetings Agenda Tentative Issues**

##### **1. August 24, 2017**

- a. 3<sup>rd</sup> Quarterly Financial Reports

##### **2. September 14, 2017**

- a. Quarterly Grant Reports (**Shrimatee Ojah-Maharaj**)
- b. Possible increased funding for the Mainstreet programs that currently exist (**Kornell**)

#### **F. New Business Item Referrals**

#### **G. Adjournment**

There being no further business, the meeting was adjourned at 9:34 a.m.

ST. PETERSBURG CITY COUNCIL  
BUDGET, FINANCE & TAXATION COMMITTEE

Minutes

August 24, 2017

8:00 – City Hall – Room 100

**Present:** Committee Members - Chair James R. “Jim” Kennedy, Jr., Vice-Chair Charles Gerdes, Karl Nurse, Darden Rice and Ed Montanari (alternate).

**Also:** Chief Assistant City Attorney, Jeannine Williams; City Administrator, Dr. Gary Cornwell; Finance Director, Anne Fritz; Budget Director, Tom Greene; Administrative Aide to City Council, Kewa Wright; Senior Deputy City Clerk, Cathy E. Davis

**A. Call to Order**

Chair Kennedy called the meeting to order at 8:01 am with the above persons present.

**B. Approval of Agenda**

In connection with the approval of the August 24<sup>th</sup> meeting agenda, Council Member Gerdes made a motion that the agenda be approved as written. All were in favor of the motion. Ayes. Kennedy. Gerdes. Nurse, Rice. Nays. None.

**C. Approval of Minutes**

**1. August 17, 2017**

In connection with the approval of the August 17<sup>th</sup> meeting minutes, they were deferred to the next scheduled meeting on September 14, 2017

**D. New/Deferred Business**

**1a. Quarterly Financial Reports (Anne Fritz/Tom Greene)**

**Quarterly Investment Report.** Ms. Fritz started the discussion with an overview of the Quarterly Investment Report. The General Policy is \$619.6 million, the market value is \$620.6 million and the unrealized gain is \$1 million. Ms. Fritz shared information from the Schedule of Investments Value, which details the City’s portfolio. In addition, she informed the committee of a new instrument that was used in the 3<sup>rd</sup> quarter with Bank United. It is a qualified depository savings account that the City invested in and received a return rate of 1.25% in a very short term and very liquid. Ms. Fritz provided an overview of the Water Cost Stabilization Portfolio and explained why the ending book value went down. She did indicate that this portfolio did not include the Index Funds and those are reported separately, which she discussed in great detail, to include market value and transfer to the Water Cost Stabilization Fund. There was some discussion about conservative investments in the Water Cost Stabilization Portfolio versus the riskier investments in Alternate Funds.

**Quarterly Debt Report.** Ms. Fritz provided an overview of the outstanding general governmental debt and the enterprise debt, as well as, summarized the principle and interest details of each. CM Rice inquired if there was any balloon debt we need to be aware of? Ms. Fritz explained that our debt has historically been wrapped to minimize any type of balloon situation. Wrapping the debt is to take the principal out to the long end in order to moderate the debt payment. There was some discussion about using funds from investments to pay off governmental debt. Ms. Fritz explained the restrictions of this action as it relates to fund balances and fiscal policies.

**Pension Funds Report.** Ms. Fritz provided a report showing the Actuarial Present Value of Benefits for ERS, Fire and Police. The report also showed the benefits for the past two years, by quarter and by month. In addition, the Actuarial Accrued Liability for ERS, Fire and Police was provided.

**Weekie Wachee Fund Report.** Ms. Fritz stated the Weekie Wachee had a good quarter. Currently, there is an undesignated fund of \$1.5 million and a total fund balance of \$16.4 million which is being invested by Graystone under the Alternate Investment Plan. Graystone provided a Quarterly Performance Summary with a breakdown of the investments.

**Budget vs. Actual Report.** Mr. Greene provided an overview of the actual performance through the third quarter with projections for the balance of FY17 as it relates to revenues and expenditures in the General Fund. He discussed the reformatted Stoplight Report that now separates our BP resources and our operating fund. Mr. Greene informed the committee that the revenue projections (operating only) for the general fund are performing better than the amended budget as of June 30, 2017. In addition, the general fund expenditures (operating only) are performing better than the amended budget. The net result is a projected operating surplus in the General Fund for FY17.

Mr. Greene provided information on the FY17 year-end fund balance targets for the General Fund and the General Fund Group of funds. Mr. Greene reminded the Committee that during the third quarter, an advance of \$3.8 million from the Economic Stability Fund to the Water Resources CIP was recorded. Based on this advance the 20% General Fund Group of Funds target will, on a temporary basis, not be met. However, once Water Resources repay the Economic Stability Fund we would exceed our 20% target. Mr. Greene reported that the 5% core General Fund target will be met at the end of FY17 and broke down the areas where 47 CIP projects were completed and closed in the third quarter of FY17.

## **E. Upcoming Meetings Agenda Tentative Issues**

### **1. September 14, 2017**

- a. Quarterly Grant Reports (**Shrimatee Ojah-Maharaj**)
- b. Possible increased funding for the Mainstreet programs that currently exist (**Kornell**)

### **2. September 28, 2017**

- a. Utility Rate Study (**Anne Fritz/Claude Tankersley**)

### **3. October 12, 2017**

- a. 2018 Management Evaluation

## **F. New Business Item Referrals**

## **G. Adjournment**

There being no further business, the meeting was adjourned at 9:33 am.



September 20, 2017

## Memorandum

**To:** Anne Fritz, Finance Director  
**From:** Jay Glover, Managing Director – PFM Financial Advisors LLC  
**Re:** Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 – Note Provider Selection Memo

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In order to provide interim funds to pay for capital expenditures relating to acquiring, constructing and erecting improvements to the public utilities system, prior to the issuance of long term senior lien bonds, the City of St. Petersburg, Florida (“the City”) requested bid proposals from qualified banks to provide a Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 (the “Note”) in the par amount not to exceed \$120,000,000. Due to the short term nature the Note (1 year) and subordinate lien security status, it was determined that a direct placement bank loan would be the most cost effective financing method. PFM assisted the City with the development and distribution of a request for proposals (“RFP”) to select the Note provider that could provide the City with the most favorable combination of interest rate as well as terms and conditions. We have prepared the following summary of the process and rationale for the selected Note provider.

PFM distributed the RFP on August 21, 2017 to a large list of local, regional and national financial institutions. The RFP requested that interested firms provide a fixed and/or variable rate of interest, prepayment provisions, fees, financial reporting requirements, default rate, and any other terms/conditions. Responses were due by 2:00 p.m. on September 6, 2017. A total of two proposals were received from the following firms which are summarized in Exhibit A.

- Bank of America, N.A.
- JPMorgan Chase Bank, N.A.

Based on PFM’s review and discussions with City staff and Note Counsel, it was determined that JPMorgan Chase Bank, N.A. (“JP Morgan”) offered the most attractive indicative fixed interest rate as well as terms and conditions that were acceptable to the City. The indicative fixed interest rate as of the proposal submittal date was 1.24% (September 6) and would be locked following approval of the Note at the City Council meeting on October 5. After further discussion with City staff, it was determined that including an option for the City to prepay the Note at par any time after six months would be advantageous. As a result, the request was made for JP Morgan to provide an updated interest rate to include this call provision as well as any changes in market conditions since the proposal submittal. As of September 20, the revised interest rate to include the prepayment option is 1.31%. Assuming approval, the final interest rate will be locked October 5 and the closing would occur on October 12, 2017. Based on the favorable interest rate as well as acceptable terms and conditions proposed by JP Morgan, PFM recommends they be approved as the Note provider. If you have any questions please feel free to contact Jay Glover at 407-406-5760.

# **EXHIBIT A – Summary of Proposals**



City of St. Petersburg, Florida  
 Public Utility Subordinate Lien Bond Anticipation  
 Note, Series 2017

BAN RFP Summary

Proposal Requirements	Bank of America	J.P. Morgan
<b>Contact Information</b>	Holly Kuhlman, Senior Vice President 9128 Strada Place, Suite 10110 Naples, Florida 34103 (239) 598-8805 holly.kuhlman@bamf.com	John T. McAuley, Executive Director 100 N. Tampa St. Tampa, FL 33602 (813) 483-8253 john.t.mcauley@jpmorgan.com
<b>Facility Amount (Not to exceed)</b>	\$120,000,000	\$120,000,000
<b>Note Maturity</b>	10/10/2018	10/10/2018
<b>Tax-Exempt Interest Rate</b>	Option A (Fixed): Indicative 1.28% Option B (Variable): 70% multiplied by LIBOR + 30 bps (Can be drawn down as needed)	Option A (Fixed): Indicative 1.24% Option B (Variable): 70% of 1 Month LIBOR + 25 bps (1.11%)
<b>Rate Locked to Closing, or Date to be set</b>	Indicative rates are as of September 6, 2017 and subject to change. Actual rate will be set up to two business days prior to closing utilizing the 1 year interest rate swap for a fixed rate for a swap with 3 month libor as the floating rate as determined by linear interpolation plus a credit spread (5 bps). The pricing formula is valid through October 31, 2017	Indicative rates are as of September 6, 2017 and subject to change daily until a written rate lock letter is executed
<b>Downgrade Pricing</b>	If rating downgrade to senior lien bonds rate increased as outlined below: A1/A+: +10bps Baa1/BBB+: +10bps Below Baa3/BBB-: Default Pricing	None
<b>Interest Rate Adjustments</b>	Determination of taxability	Determination of taxability
<b>Prepayment Options</b>	Prepayments are permitted at any time with three business days' prior notice. If Option A is chosen, prepayments will be subject to a prepayment penalty. There will be no prepayment penalty if Option B is chosen.	Option A (Fixed): Subject to breakage fee Option B (Variable): The Note may be prepaid in whole or in part, without premium or penalty, on any LIBOR Reset Date
<b>Legal/Other Fees</b>	\$8,500	\$6,500
<b>Other Conditions &amp; Notes</b>	1) Term sheet will expire if not accepted within 15 days 2) Rate Covenant: 1.15x debt service coverage assuming 30 year amortization of Note 3) Must provide audited financials within 270 days of fiscal year end 4) City agrees to not issue any additional senior or subordinate debt unless to pay outstanding principal on the proposed 2017 Note 5) See events of default and remedies in term sheet	1) Terms of the proposal expire on October 12, 2017 2) Base Rate of the higher of (i) the Bank's Prime Rate and (ii) 2.5% plus the one month Adjusted LIBOR Rate 3) Default rate of Base Rate + 4%

RESOLUTION NO. 2017-\_\_\_\_\_

A RESOLUTION AUTHORIZING THE ISSUANCE OF A NOT TO EXCEED \$120,000,000 CITY OF ST. PETERSBURG, FLORIDA PUBLIC UTILITY SUBORDINATE LIEN BOND ANTICIPATION NOTE, SERIES 2017, TO FINANCE AND/OR REIMBURSE THE ACQUISITION, CONSTRUCTION AND ERECTION OF ADDITIONS, IMPROVEMENTS, AND EXTENTIONS TO THE CITY'S PUBLIC UTILITY SYSTEM; PROVIDING FOR THE PAYMENT OF SUCH NOTE FROM A FIRST LIEN ON PROCEEDS OF A SERIES OF SENIOR LIEN BONDS EXPECTED TO BE ISSUED ON OR PRIOR TO THE MATURITY DATE OF SUCH NOTE AND NET REVENUES OF THE CITY'S PUBLIC UTILITY SYSTEM ON A JUNIOR AND SUBORDINATE LIEN BASIS, IN ALL RESPECTS, WITH RESPECT TO CERTAIN BONDS HERETOFORE ISSUED BY THE CITY, AND ON A PARITY LIEN BASIS WITH RESPECT TO CERTAIN LOAN AGREEMENTS ENTERED INTO WITH THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION; PROVIDING FOR THE SALE AND APPROVAL OF THE FORM OF SUCH NOTE; APPOINTING A PAYING AGENT AND REGISTRAR FOR SUCH NOTE; MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City St. Petersburg, Florida (the "City Council"), has previously adopted Resolution No. 99-227 on April 22, 1999, as amended and supplemented from time to time, as particularly amended by Resolution No. 2005-559 adopted by the City Council on October 20, 2005, Resolution No. 2008-256 adopted by the City Council on May 15, 2008, and Resolution No. 2013-400 adopted by the City Council on October 3, 2013, and as may be further amended and supplemented from time to time (collectively, the "Senior Lien Bond Resolution"); and

WHEREAS, pursuant to the Senior Lien Bond Resolution, the City of St. Petersburg, Florida (the "Issuer") has previously issued its Public Utility Revenue Bonds, Series 2009A, Public Utility Refunding Revenue Bonds, Series 2009B, Taxable Public Utility Revenue

Bonds, Series 2010A (Federally Taxable-Build America Bonds-Direct Subsidy), Taxable Public Utility Revenue Bonds, Series 2010B (Federally Taxable-Recovery Zone Economic Development Bonds-Direct Subsidy), Public Utility Revenue Bonds, Series 2013A, Public Utility Refunding Revenue Bonds, Series 2013B, Public Utility Revenue Bonds, Series 2013C, Public Utility Revenue Bonds, Series 2014A, Public Utility Refunding Revenue Bonds, Series 2014B, Public Utility Revenue Bonds, Series 2015, Public Utility Refunding Revenue Bond, Series 2016A, Public Utility Refunding Revenue Bonds, Series 2016B, and Public Utility Revenue Bonds, Series 2016C (collectively, the "Senior Lien Bonds"); and

WHEREAS, the Senior Lien Bonds and any Additional Parity Obligations hereafter issued under the Senior Lien Bond Resolution are secured by a first lien on the Net Revenues of the System; and

WHEREAS, the Issuer intends to issue a Series of Additional Parity Obligations and/or may apply to an authority for a financing pursuant to 163.09, Florida Statutes (the "Takeout Refinancing") to refinance the hereinafter defined Bond Anticipation Note; and

WHEREAS, the Issuer has also previously entered into Clean Water State Revolving Fund Loan Agreements CS120521010, CS120521020, CS120521030, CS12052104P, WW52105L, WW520600 and WW520630 with the Florida Department of Environmental Protection (collectively, the "Parity Lien Loan Agreements"); and

WHEREAS, the Parity Lien Loan Agreements are secured by a lien on the Net Revenues of the System, on a junior and subordinate lien basis, in all respects, with respect to the Senior Lien Bonds and any Additional Parity Obligations hereafter issued; and

WHEREAS, the Senior Lien Bonds and the Parity Lien Loan Agreements are the only obligations currently outstanding with respect to the System; and

WHEREAS, it is necessary and urgent that funds be made immediately available in order to provide funds to immediately commence the acquisition, construction and erection of additions, improvements and extensions to the System (the "Project"); and

WHEREAS, the City Council now desires to adopt this resolution to authorize its Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 (the "Bond Anticipation Note") to finance and/or reimburse the costs of the Project in anticipation of the Takeout Refinancing which is expected to occur on or prior to October 10, 2018; and

WHEREAS, the Issuer in good faith endeavors to issue the Takeout Refinancing within that timeframe; and

WHEREAS, the Bond Anticipation Note shall be secured by a first lien on proceeds of the Takeout Refinancing, and Net Revenues on a junior and subordinate lien basis, in all respects, with respect to the Senior Lien Bonds, and on a parity lien basis with respect to the Parity Lien Loan Agreements; and

WHEREAS, the Bond Anticipation Note shall constitute "Subordinated Debt" for all purposes of the Senior Lien Bond Resolution.; and

WHEREAS, following a competitive solicitation of bank loan proposals conducted by the Issuer's financial advisor, the Issuer has determined to accept the proposal from JPMorgan Chase Bank, N.A. (the "Lender") to purchase the Bond Anticipation Note; and

WHEREAS, the Issuer has determined that it is necessary and desirable to adopt this resolution to provide for various details and other matters with respect to the Bond Anticipation Note.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ST. PETERSBURG, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the Constitution and laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 159, Part I, Florida Statutes, Section 215.431, Florida Statutes, the municipal Charter of the Issuer, and other applicable provisions of law, and the Senior Lien Bond Resolution.

SECTION 2. DEFINITIONS. All capitalized undefined terms shall have the same meaning as set forth in the Senior Lien Bond Resolution. In addition, the following terms, unless the context otherwise requires, shall have the meanings specified in this Section. Words importing the singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

"City Attorney" shall mean the City Attorney or any Assistant City Attorney of the Issuer.

"City Clerk" shall mean the City Clerk or any Deputy City Clerk of the Issuer.

"City Council" shall mean the City Council of the Issuer.

"Finance Director" shall mean the Finance Director of the Issuer, or her designee.

"Holder" shall mean any persons who shall be the registered owner of the Bond Anticipation Note.

"Maturity Date" shall mean October 10, 2018.

"Mayor" shall mean the Mayor of the Issuer, or his designee. The Mayor is authorized, but is not bound, to designate the City Administrator and/or the Finance Director to execute certificates, agreements and all other documents in connection with the issuance of the Bond Anticipation Note.

"Note Counsel" means Bryant Miller Olive P.A, or any other nationally recognized bond counsel firm.

"Permitted Lender" means any affiliate of the Lender or any bank, trust company, savings institution, insurance company or qualified institutional buyer under Rule 144A promulgated under the Securities Act of 1933.

"Project" shall have the meaning ascribed thereto in the WHEREAS clauses above.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

A. The Issuer deems it beneficial and in its best financial interest to finance and/or reimburse the costs of the Project through the issuance of the Bond Anticipation Note. The issuance of the Bond Anticipation Note to finance and/or reimburse the Project satisfies a public purpose.

B. The principal of and interest on the Bond Anticipation Note and other payments required hereunder shall be payable from a first lien on proceeds of the Takeout Refinancing, and Net Revenues on a junior and subordinate lien basis, in all respects, with respect to the Senior Lien Bonds, and on a parity lien basis with respect to the Parity Lien Loan Agreements. The Issuer shall never be required to levy ad valorem taxes on any real property therein to pay the principal of and interest on the Bond Anticipation Note or to make any other payments specified herein. The Bond Anticipation Note shall not constitute a lien upon any property owned by or located within the boundaries of the Issuer other than the sources of security described herein.

C. The estimated Net Revenues and the proceeds of the Takeout Refinancing will be sufficient to pay all principal of and interest on the Senior Lien Bonds, Bond Anticipation Note and the Parity Lien Loan Agreements, as the same become due, and to make all required Debt Service Fund, reserve or other payments required by the Senior Lien Bond Resolution.

D. The Issuer has received an offer from the Lender to purchase the Bond Anticipation Note.

E. The Issuer is not in default in the carrying out of any of the obligations assumed under the Senior Lien Bond Resolution and the Parity Lien Loan Agreements, and all payments required by the Senior Lien Bond Resolution and the Parity Lien Loan Agreements to be made into the funds and accounts established thereunder have been made to the full extent required.

F. The Bond Anticipation Note shall constitute "Subordinated Debt" for all purposes of the Senior Lien Bond Resolution.

SECTION 4. AUTHORIZATION OF TAKEOUT REFINANCING; AUTHORIZATION OF PROJECT AND AUTHORIZATION OF BOND ANTICIPATION NOTE. For the purposes of Section 215.431, Florida Statutes, the Issuer hereby authorizes the issuance in the future of the Takeout Refinancing in a principal amount of not to exceed \$120,000,000 pursuant to the provisions of the Senior Lien Bond Resolution, further details to be determined pursuant to a supplemental resolution to be adopted by the City Council.

Subject and pursuant to the provisions of the Senior Lien Bond Resolution and this resolution and in anticipation of the closing of the Takeout Refinancing, an obligation of the Issuer to be known as the "Public Utility Subordinate Lien Bond Anticipation Note, Series 2017," herein defined as the "Bond Anticipation Note," is authorized to be issued in the original

principal amount of not to exceed \$120,000,000 for the purpose of financing and/or reimbursing the Project and paying the cost of issuing the Bond Anticipation Note.

Because of the characteristics of the Bond Anticipation Note, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Bond Anticipation Note, it is in the best interest of the Issuer to accept the offer of the Lender to purchase the Bond Anticipation Note at a private negotiated sale, which was based upon a competitive selection process. Prior to the issuance of the Bond Anticipation Note, the Issuer shall receive from the Lender a Purchaser's Certificate, the form of which is attached hereto as Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit C.

SECTION 5. THIS RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Bond Anticipation Note authorized to be issued hereunder by those who shall hold the same from time to time, this resolution shall be deemed to be and shall constitute a contract between the Issuer and such Holder.

SECTION 6. DESCRIPTION OF BOND ANTICIPATION NOTE. The Bond Anticipation Note shall be dated the date of its execution and delivery, which shall be a date agreed upon by the Issuer and the Lender, subject to the following terms:

A. Interest Rate. The initial fixed interest rate on the Bond Anticipation Note shall not exceed 1.75%, such initial fixed interest rate to be determined in the Bond Anticipation Note (calculated on a 30/360 day count basis). Such interest rate is subject to change upon conditions set forth in the Bond Anticipation Note, the form of which is attached hereto as Exhibit A.

B. Principal and Interest Payment Dates. Principal and interest on the Bond Anticipation Note shall be paid in full on the Maturity Date.

C. Redemption of the Bond Anticipation Note. The Bond Anticipation Note shall be subject to redemption as provided in the Bond Anticipation Note.

D. Form, Execution and Delivery of the Bond Anticipation Note. The Bond Anticipation Note is to be in substantially the form set forth in Exhibit A attached hereto, together with such non-material changes as shall be approved by the Mayor, such approval to be conclusively evidenced by the execution thereof by the Mayor. The Bond Anticipation Note shall be executed on behalf of the Issuer with the manual or facsimile signature of the Mayor and the official seal of the Issuer, approved as to form and correctness by the City Attorney, and be attested with the manual or facsimile signature of the City Clerk. In case any one or more of the officers of the Issuer who shall have signed or sealed the Bond Anticipation Note or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bond Anticipation Note so signed and sealed has been actually sold and delivered, such Bond Anticipation Note may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bond Anticipation Note had not ceased to hold such office. The Bond Anticipation Note may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond Anticipation Note shall hold the

proper office of the Issuer, although, at the date of such Bond Anticipation Note, such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bond Anticipation Note shall be actually sold and delivered.

E. Original Denomination. The Bond Anticipation Note shall originally be issued in a single denomination in an amount that equals the original principal amount authorized and issued hereunder.

F. No Reserve Account. The Bond Anticipation Note is not secured by any reserve fund or account.

G. Other Terms. The Bond Anticipation Note shall bear interest from the interest payment date next preceding the date on which it is issued.

The principal of and interest on and redemption premium, if any, on the Bond Anticipation Note shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts and shall be paid when due by the Paying Agent to the person appearing on the registration books of the Issuer by wire transfer to the Holder of the Bond Anticipation Note in accordance with wire transfer instructions provided by the Holder of the Bond Anticipation Note to the Paying Agent and Issuer. Presentment of the Bond Anticipation Note shall not be required, but the Holder of the Bond Anticipation Note agrees that promptly following the payment in full of the Bond Anticipation Note it shall return the Bond Anticipation Note marked "paid in full" to the Issuer.

SECTION 7. APPLICATION OF PRIOR COVENANTS OF THE ISSUER. The covenants and pledges contained in the Senior Lien Bond Resolution shall be deemed to be for the benefit, protection and security for the payment of the Bond Anticipation Note and for the Holder thereof in like manner as applicable to the Senior Lien Bonds; provided, however, no reserve requirements applicable to the Senior Lien Bonds shall apply to the Bond Anticipation Note. Such covenants and pledges shall be applicable to the Bond Anticipation Note herein authorized and are incorporated by reference herein to the same extent as if set forth in full herein.

SECTION 8. REGISTRATION AND EXCHANGE OF THE BOND ANTICIPATION NOTE; PERSONS TREATED AS HOLDER OF THE BOND ANTICIPATION NOTE. The Bond Anticipation Note is initially registered to the Lender, as the original purchaser of the Bond Anticipation Note. So long as the Bond Anticipation Note shall remain unpaid, the Issuer will keep books for the registration and transfer of the Bond Anticipation Note. The Bond Anticipation Note shall be transferable only upon such registration books. Notwithstanding anything herein to the contrary, the Lender may in the future make transfers of the Bond Anticipation Note or sell participations to Permitted Lenders without the consent of the Issuer; provided, however, such transfers or participations shall not be for less than a \$1,000,000 denomination.

The person in whose name the Bond Anticipation Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal and interest on such Bond Anticipation Note shall be made only to or upon the written order of the Holder of the Bond Anticipation Note. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond Anticipation Note to the extent of the sum or sums so paid.

**SECTION 9. APPLICATION OF PROCEEDS OF BOND ANTICIPATION NOTE.** The proceeds received from the sale of the Bond Anticipation Note shall be applied by the Issuer simultaneously with the delivery of the Bond Anticipation Note to the Lender, as follows:

A. To the extent not reimbursed therefor by the original purchaser of the Bond Anticipation Note, the Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Bond Anticipation Note.

B. The remaining proceeds of the Bond Anticipation Note shall be deposited into the "City of St. Petersburg, Florida Public Utility Subordinate Lien Bond Anticipation Note, Series 2017, Construction and Acquisition Fund," which is hereby created and established (the "2017 Construction and Acquisition Fund"), and which may be used to finance and/or reimburse the costs of the Project. Such 2017 Construction and Acquisition Fund shall constitute a trust fund for the Holder of the Bond Anticipation Note. The Issuer is permitted to invest amounts on deposit in the 2017 Construction and Acquisition Fund in investments permitted by applicable law and the Issuer's investment policy. All income received from investment of monies in the 2017 Construction and Acquisition Fund can be used to pay costs of the Project. The Holder of the Bond Anticipation Note shall have a lien on the proceeds of the Bond Anticipation Note until expended.

**SECTION 10. BOND ANTICIPATION NOTE MUTILATED, DESTROYED, STOLEN OR LOST.** In case the Bond Anticipation Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Bond Anticipation Note of like tenor as the Bond Anticipation Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond Anticipation Note upon surrender and cancellation of such mutilated Bond Anticipation Note, or in lieu of and substitution for the Bond Anticipation Note destroyed, stolen or lost, and upon the Holder furnishing the Issuer proof of its ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. The Bond Anticipation Note so surrendered shall be canceled by the Issuer.

**SECTION 11. APPROVAL OF PAYING AGENT AND REGISTRAR.** The Issuer is hereby appointed Paying Agent and Registrar for the Bond Anticipation Note.

**SECTION 12. TAX COVENANTS.** The Issuer covenants to the Holder of the Bond Anticipation Note provided for in the Resolution that the Issuer will not make any use of the proceeds of the Bond Anticipation Note at any time during the term of the Bond Anticipation Note which would cause the Bond Anticipation Note to be an "arbitrage bond" within the meaning of the Code. The Issuer will comply with the requirements of the Code and any valid

and applicable rules and regulations promulgated thereunder necessary to ensure the exclusion of interest on the Bond Anticipation Note from the gross income of the Holder for purposes of federal income taxation.

SECTION 13. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this resolution or of the Bond Anticipation Note issued thereunder.

SECTION 14. GENERAL AUTHORITY. The members of the City Council, the Mayor, the Finance Director and the Issuer's officers, attorneys and other agents and employees are hereby authorized to perform all acts and things required of them by this resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Bond Anticipation Note and this resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Note Counsel or the Lender to effectuate the sale of the Bond Anticipation Note. All action taken to date by the members of the City Council, the Mayor, the Finance Director and the Issuer's officers, attorneys and other agents and employees in furtherance of the issuance of the Bond Anticipation Note is hereby approved, confirmed and ratified.

SECTION 15. BUSINESS DAYS. In any case where the due date of interest on or principal of a Bond Anticipation Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Holder of the Bond Anticipation Note.

SECTION 16. SPECIAL OBLIGATION OF ISSUER. The Bond Anticipation Note shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of the Constitution of Florida, but shall be payable from a first lien on proceeds of the Takeout Refinancing, and Net Revenues on a junior and subordinate lien basis, in all respects, with respect to the Senior Lien Bonds, and on a parity lien basis with respect to the Parity Lien Loan Agreements. The Bond Anticipation Note is also secured by amounts on deposit in the 2017 Construction and Acquisition Fund until such moneys have been expended. The Holder of the Bond Anticipation Note shall never have the right to compel the exercise of the ad valorem taxing power of the Issuer or taxation in any form of any real property therein to pay such principal and interest from any other funds of the Issuer, except in the manner provided herein.

SECTION 17. EXECUTION OF RATE LOCK LETTER AGREEMENT. The Finance Director is hereby authorized to execute and deliver the Rate Lock Letter Agreement on behalf of the Issuer, a substantially final form of which is attached hereto as Exhibit D (based on a principal amount of not to exceed \$120,000,000 and an initial fixed interest rate of not to exceed 1.75%), with the Lender, in order to eliminate the risk that the initial fixed interest rate applicable to the Bond Anticipation Note will thereafter increase.

SECTION 18. CAPTIONS. The captions and headings in this resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this resolution.

SECTION 19. NO THIRD-PARTY BENEFICIARIES. Except such other persons as may be expressly described in this resolution or in the Bond Anticipation Note, nothing in this resolution or therein, expressed or implied, is intended or shall be construed to confer upon any person, other than the Issuer and the Holder, any right, remedy or claim, legal or equitable, under and by reason of any provision hereof or thereof, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and a person who shall from time to time be the Holder.

SECTION 20. MEMBERS OF THE CITY COUNCIL NOT LIABLE. No covenant, stipulation, obligation or agreement contained in this resolution shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, agent or employee of the Issuer in his or her individual capacity, and neither the members of the City Council nor any person executing the Bond Anticipation Note shall be liable personally on the Bond Anticipation Note or this resolution or shall be subject to any personal liability or accountability by reason of the issuance or the execution of the Bond Anticipation Note or this resolution.

SECTION 21. GOVERNING LAW; APPLICABLE LAW AND VENUE; JURY TRIAL WAIVER. This resolution and the Bond Anticipation Note shall be governed by the laws of the State of Florida. The Issuer and the Lender, by acceptance of the Bond Anticipation Note, knowingly, voluntarily, and intentionally waive any right either may have to a trial by jury, with respect to any litigation or legal proceedings based on or arising out of this resolution or the Bond Anticipation Note. In the event of any legal proceeding arising out of or related to the Bond Anticipation Note, the Issuer and the Lender, by acceptance of the Bond Anticipation Note, each waive any objections to venue for any action brought in state court lying in Pinellas County, St. Petersburg Division. The Issuer and the Lender, by acceptance of the Bond Anticipation Note, also each waive any objection to venue for any action brought in federal court lying in the Middle District of Florida, Tampa Division. The Holder of the Bond Anticipation Note, upon taking possession of the Bond Anticipation Note, and the Issuer each consent to the personal jurisdiction of the aforementioned courts and irrevocably waive any objections to said jurisdiction.

SECTION 22. SUPERSEDED. All prior resolutions of the Issuer inconsistent with the provisions of hereof are hereby superseded to conform to the provisions herein contained and, except as otherwise superseded hereby, this resolution shall remain in full force and effect.

[Remainder of page intentionally left blank]

SECTION 23. EFFECTIVE DATE. This resolution shall become effective upon its adoption.

LEGAL:

DEPARTMENT:

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**EXHIBIT A**

**FORM OF BOND ANTICIPATION NOTE**

\$120,000,000

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
COUNTY OF PINELLAS  
CITY OF ST. PETERSBURG  
PUBLIC UTILITY SUBORDINATE LIEN BOND ANTICIPATION NOTE, SERIES 2017

MATURITY DATE	INTEREST RATE	DATED DATE
October 10, 2018	_____% (subject to adjustment)	October 12, 2017

REGISTERED OWNER: JPMORGAN CHASE BANK, N.A.

PRINCIPAL AMOUNT: ONE HUNDRED TWENTY MILLION AND NO/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS that the City of St. Petersburg, Florida (hereinafter called "Issuer"), for value received, hereby promises to pay to the order of the Registered Owner identified above, as herein provided, on the Maturity Date identified above, from the revenues hereinafter mentioned, the Principal Amount identified above, and to pay solely from said sources, to the Registered Owner hereof, interest on said Principal Amount at the Interest Rate per annum identified above, subject to adjustment as herein provided, on the Maturity Date. Notwithstanding anything herein to the contrary, the Interest Rate shall never exceed the maximum rate allowed by applicable law. All payments due hereunder shall be paid to the Registered Owner by wire transfer in accordance with wire transfer instructions provided by such Registered Owner to the Paying Agent and Issuer.

Principal on this Bond Anticipation Note shall be paid on the Maturity Date.

"Interest Rate" means a per annum rate equal to \_\_\_\_%, prior to a Determination of Taxability. In the event of a Determination of Taxability, "Interest Rate" means a per annum rate equal to the Taxable Rate, effective retroactively to the date on which the interest payable on this Bond Anticipation Note is includable for federal income tax purposes in the gross income of the Registered Owner. In the alternative, in the event that interest on this Bond Anticipation Note during any period becomes partially taxable as a result of a Determination of Taxability applicable to less than all of this Bond Anticipation Note, then the Interest Rate on this Bond Anticipation Note shall be increased during such period by an amount equal to:  $(A-B) \times C$  where:

- (A) "A" equals the Taxable Rate (expressed as a percentage);
- (B) "B" equals the interest rate on this Bond Anticipation Note (expressed as a percentage); and

- (C) "C" equals the portion of this Bond Anticipation Note the interest on which has become taxable as the result of such tax change (expressed as a decimal).

In the Event of Default, "Interest Rate" means per annum rate equal to the Default Rate.

"Determination of Taxability" means the circumstance of interest paid or payable on this Bond Anticipation Note becoming includable for federal income tax purposes in the gross income of the Registered Owner as a consequence of any act or omission of the Issuer. A "Determination of Taxability" shall be deemed to occur upon (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on this Bond Anticipation Note is includable for federal income tax purposes in the gross income of the Registered Owner, or (ii) a determination by a court of competent jurisdiction that the interest payable on this Bond Anticipation Note is includable for federal income tax purposes in the gross income of the Registered Owner, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the Issuer or an opinion of Note Counsel to the effect that interest on this Bond Anticipation Note is includable for federal income tax purposes in the gross income of the Registered Owner.

For all purposes of this definition, a Determination of Taxability will be deemed to occur on the date as of which the interest on this Bond Anticipation Note is deemed includable in the gross income of the Registered Owner. A Determination of Taxability shall not occur solely from the fact that such interest is taken into account in determining adjusted current earnings for the purpose of the alternative minimum income tax imposed on corporations. In addition to any other amounts to be paid hereunder, the Registered Owner or any former Registered Owner, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States of America by the Registered Owner or any former Registered Owner as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the Issuer within thirty (30) days following the Determination of Taxability and demand by the Registered Owner.

"Taxable Rate" means a rate equal to the Prime Rate times that percentage which after the Determination of Taxability will result in the same after-tax yield to the Registered Owner of this Bond Anticipation Note as before said Determination of Taxability. "Prime Rate" means a rate of interest equal to the announced prime commercial lending rate per annum of the Registered Owner. The Prime Rate is a reference rate for the information and use of the Registered Owner in establishing the actual rate to be charged to the Issuer. The Prime Rate is purely discretionary and is not necessarily the lowest or best rate charged any customer. The Prime Rate shall be adjusted from time to time without notice or demand as of the effective date of any announced change thereof.

"Event of Default" as such term is used in this Bond Anticipation Note means that the Issuer shall fail to make a payment of the principal of, redemption premium or interest on this Bond Anticipation Note when such payment becomes due.

In case of an Event of Default, upon written declaration of the Registered Owner of this Bond Anticipation Note, the entire debt then remaining unpaid under this Bond Anticipation Note shall be immediately due and payable.

“Base Rate” means the higher of (i) the Registered Owner’s Prime Rate and (ii) 2.5% plus the one month Adjusted LIBOR Rate.

“Adjusted LIBOR Rate” means the quotient of (a) the LIBOR Rate on the immediately preceding business day for dollar deposits with a maturity equal to one-month, divided by (b) one minus the “Reserve Requirement” applicable to dollar deposits in the London interbank market with a maturity equal to one month.

”Default Rate” means the Base Rate plus 4%. The Default Rate shall be determined as of the day immediately following the date on which any amount payable to the Registered Owner hereunder is not paid when due.

Interest on this Bond Anticipation Note shall be calculated using a 360-day year consisting of twelve 30-day months.

On or after April 10, 2018, the Issuer may prepay this Bond Anticipation Note in whole or in part at any time upon at least five (5) Business Days prior notice, without premium or penalty. Prior to April 10, 2018, the Issuer may prepay this Bond Anticipation Note in whole or in part at any time upon at least five (5) Business Days prior notice, as long as it pays the Prepayment Price to the Registered Owner.

“Prepayment Price” means the principal amount of this Bond Anticipation Note being prepaid plus the sum of the difference between (a) the scheduled interest payment which would have been made on the prepaid amount if such prepayment had not occurred and (b) the corresponding fixed-rate interest payment which would be received under an interest rate swap which the Registered Owner shall be deemed to have entered into as of the date of such prepayment (the “Replacement Swap”) covering its payment obligations under an interest rate swap which the Registered Owner shall be deemed to have entered into when the prepaid amount was originally funded, with each such difference discounted to a present value as of the date of prepayment using the fixed interest rate of the Replacement Swap as the applicable discount rate. The Issuer acknowledges that the Registered Owner might not fund or hedge its fixed-rate loan portfolio or any prepayment thereof on a loan-by-loan basis at all times, and agrees that the foregoing is a reasonable and appropriate method of calculating liquidated damages for any prepayment irrespective of whether any of the foregoing hedging transactions have in fact occurred or occurred precisely as stated with respect to the loan evidenced by this Bond Anticipation Note. All calculations and determinations by the Registered Owner of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error.

This authorized principal amount of this Bond Anticipation Note is \$120,000,000. This Bond Anticipation Note is being issued to finance and/or reimburse the Project, under the

authority of and in full compliance with the Constitution and laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 159, Part I, Florida Statutes, Section 215.431, Florida Statutes, the municipal Charter of the Issuer, and other applicable provisions of law, and by Resolution No. 99-227 adopted by the City Council on April 22, 1999, as amended and supplemented from time to time, as particularly amended by Resolution No. 2005-559 adopted by the City Council on October 20, 2005, Resolution No. 2008-256 adopted by the City Council on May 15, 2008, Resolution No. 2013-400 adopted by the City Council on October 3, 2013 (the "Senior Lien Bond Resolution"), and by a resolution adopted by the City Council on October 5, 2017 (the "Subordinate Lien Note Resolution," and together with the Senior Lien Bond Resolution, the "Resolutions"), and is subject to all the terms and conditions of such Resolutions. All capitalized undefined terms used herein shall have the meaning set forth in the Resolutions.

This Bond Anticipation Note is payable from a first lien on proceeds of the Takeout Refinancing, and Net Revenues on a junior and subordinate lien basis, in all respects, with respect to the Senior Lien Bonds, and on a parity lien basis with respect to the Parity Lien Loan Agreements.

This Bond Anticipation Note does not constitute an indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Registered Owner of this Bond Anticipation Note that such Registered Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer for the payment of the principal of and interest on this Bond Anticipation Note or the making of any sinking fund, reserve or other payments specified in the Resolutions.

It is further agreed between the Issuer and the Registered Owner of this Bond Anticipation Note that this Bond Anticipation Note and the indebtedness evidenced thereby shall not constitute a lien upon the System, or any part thereof, or on any other property of or in the Issuer, other than the sources of security as described herein and in the Subordinate Lien Note Resolution, all in the manner provided therein.

The Issuer in the Resolutions has covenanted and agreed with the Registered Owner of the Bond Anticipation Note to fix, establish, revise from time to time whenever necessary, maintain and collect such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide Adjusted Net Revenues in each year of not less than 115% of all Bond Service Requirements becoming due in such year on the outstanding Senior Lien Bonds; and that such rates, fees, rentals and other charges will not be reduced so as to be insufficient to provide Gross Revenues for such purposes. The Issuer has entered into certain further covenants with the Registered Owner of this Bond Anticipation Note for the terms of which reference is made to the Resolutions.

This Bond Anticipation Note is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities of the State of Florida.

All payments by the Issuer pursuant to this Bond Anticipation Note shall apply first to accrued interest, then to other charges due the Registered Owner, and the balance thereof shall apply to the principal sum due.

This Bond Anticipation Note may be exchanged or transferred by the Registered Owner hereof but only upon the registration books maintained by the Issuer and in the manner provided in the Resolutions; provided, however, this Bond Anticipation Note may be transferred to Permitted Lenders in the future without the consent of the Issuer so long as such transfers shall not be for less than a \$1,000,000 denomination.

The transfer of this Bond Anticipation Note is registrable by the Registered Owner hereof in person or by his attorney or legal representative at the office of the Registrar but only in the manner and subject to the conditions provided in the Subordinate Lien Note Resolution and upon surrender and cancellation of this Bond Anticipation Note.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond Anticipation Note exist, have happened and have been performed in regular and due form and time as required by the Statutes and Constitution of the State of Florida applicable thereto; and that the issuance of this Bond Anticipation Note does not violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, the City of St. Petersburg, Florida, has issued this Bond Anticipation Note and has caused the same to be executed by its Mayor, attested by its City Clerk, approved as to form and correctness by its Assistant City Attorney, either manually or with their facsimile signatures, and the corporate seal of the City, or a facsimile thereof to be impressed, imprinted or otherwise reproduced hereon, all as of the date set forth above.

CITY OF ST. PETERSBURG, FLORIDA

(SEAL)

\_\_\_\_\_  
Rick Kriseman, Mayor

ATTESTED:

\_\_\_\_\_  
Chan Srinivasa, City Clerk

APPROVED AS TO FORM AND CORRECTNESS

\_\_\_\_\_  
\_\_\_\_\_, Assistant City Attorney

## **EXHIBIT B**

### **FORM OF PURCHASER'S CERTIFICATE**

This is to certify that JPMorgan Chase Bank, N.A. (the "Purchaser") has not required the City of St. Petersburg, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance of the \$120,000,000 City of St. Petersburg, Florida Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 (the "Bond Anticipation Note"), and no inference should be drawn that the Purchaser, in the acceptance of said Bond Anticipation Note, is relying on Note Counsel or Issuer's Counsel as to any such matters other than the legal opinion rendered by Note Counsel, Bryant Miller Olive P.A. and by Issuer's Counsel. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in Resolution No. 99-227 adopted by the City Council on April 22, 1999, as amended and supplemented from time to time, as particularly amended by Resolution No. 2005-559 adopted by the City Council on October 20, 2005, Resolution No. 2008-256 adopted by the City Council on May 15, 2008, Resolution No. 2013-400 adopted by the City Council on October 3, 2013 (the "Senior Lien Bond Resolution"), and by a resolution adopted by the City Council on October 5, 2017 (the "Subordinate Lien Note Resolution," and together with the Senior Lien Bond Resolution, the "Resolutions"), and is subject to all the terms and conditions of such Resolutions.

We are aware that investment in the Bond Anticipation Note involves various risks, that the Bond Anticipation Note is not a general obligation of the Issuer or payable from ad valorem tax revenues, and that the payment of the Bond Anticipation Note is secured solely from the sources and in the manner and to the extent described in the Resolutions (the "Note Security").

We have made such independent investigation of the Note Security as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances. In making our investment decision, we have relied upon the accuracy of information which has been provided to us by the Issuer.

We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Bond Anticipation Note and can bear the economic risk of our investment in the Bond Anticipation Note.

We acknowledge and understand that the Resolutions are not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the Issuer, Note Counsel nor Issuer's Counsel shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary, and are purchasing the Bond Anticipation Note as an investment for our own account and not with a present view to a resale or other distribution to the public.

We are a United States national banking association. We are not purchasing the Bond Anticipation Note for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

DATED this 12<sup>th</sup> day of October, 2017.

JPMORGAN CHASE BANK, N.A.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT C

### FORM OF DISCLOSURE LETTER

Following a competitive selection process, the undersigned, as purchaser, proposes to negotiate with the City of St. Petersburg, Florida (the "Issuer") for the private purchase of its City of St. Petersburg, Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 (the "Bond Anticipation Note") in the principal amount of \$120,000,000. Prior to the award of the Bond Anticipation Note, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Lender") in connection with the issuance of the Bond Anticipation Note (such fees and expenses to be paid by the Issuer):

Locke Lord LLP  
Lender's Counsel  
\$6,500

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Lender in connection with the issuance of the Bond Anticipation Note to any person not regularly employed or retained by the Lender (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Lender, as set forth in paragraph (1) above.

(b) No person has entered into an understanding with the Lender, or to the knowledge of the Lender, with the Issuer, 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 the Lender or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Bond Anticipation Note.

3. The amount of the underwriting spread expected to be realized by the Lender is \$0.

4. The management fee to be charged by the Lender is \$0.

5. Truth-in-Bonding Statement. The following information is provided pursuant to Section 218.385(2), Florida Statutes and does not evidence or alter the terms of the Bond Anticipation Note:

The Bond Anticipation Note is being issued primarily to finance, and/or reimburse the costs of the Project.

The Bond Anticipation Note is expected to be repaid no later than October 10, 2018 at an interest rate of \_\_\_\_\_%, total interest paid over the life of the Bond Anticipation Note is estimated to be \$\_\_\_\_\_.

The Bond Anticipation Note will be payable solely from amounts pledged and described in Resolution No. 99-227 adopted by the City Council on April 22, 1999, as amended and supplemented from time to time, as particularly amended by Resolution No. 2005-559 adopted by the City Council on October 20, 2005, Resolution No. 2008-256 adopted by the City Council on May 15, 2008, Resolution No. 2013-400 adopted by the City Council on October 3, 2013 (the "Senior Lien Bond Resolution"), and by a resolution adopted by the City Council on October 5, 2017 (the "Subordinate Lien Note Resolution," and together with the Senior Lien Bond Resolution, the "Resolutions"), and is subject to all the terms and conditions of such Resolutions. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in the Resolutions. Issuance of the Bond Anticipation Note is expected to be refinanced on or before October 10, 2018, and thereafter is estimated to result in an annual average of approximately \$\_\_\_\_\_ of revenues of the Issuer not being available to finance the services of the Issuer during the life of such refinancing based on current interest rates.

6. The name and address of the Lender is as follows:

JPMorgan Chase Bank, N.A.  
100 North Tampa Street  
Tampa, Florida 33602

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Lender this 12th day of October, 2017.

JPMORGAN CHASE BANK, N.A.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT D**

**FORM OF RATE LOCK LETTER AGREEMENT**

## RATE LOCK LETTER AGREEMENT

October 5, 2017

City of St. Petersburg  
One Fourth Street N. 5<sup>th</sup> FL  
St. Petersburg, Florida 33701

### Defined Terms:

Rate Lock Date: October 5, 2017

Rate Lock Funding Date: October 12, 2017

Rate Lock Breakage Date: Date on which the rate lock is broken on or before the Rate Lock Funding date.

Rate Lock Amount: \$120,000,000

Annual Interest Rate (%):           

Designated Tenor: 1 year

This letter is to confirm that, pursuant to your request, JPMorgan Chase Bank, N.A. (the “Bank”) has reserved for the City of St. Petersburg, Florida (“Issuer”) \$120,000,000 in fixed rate funds effective on the Rate Lock Date, in anticipation of the Issuer’s financing need on or before Rate Lock Funding Date, as further evidenced by the Bank’s commitment letter dated October 5, 2017 (“Commitment Letter”), accepted by the Issuer.

The interest rate for the one year period (the “Designated Tenor”) of the above-described financing will be at an annual rate equal to \_\_\_\_\_%.

In order to lock the interest rate for this transaction, Issuer agrees that if for any reason, other than the fault of the Bank, the full Rate Lock Amount is not funded in accordance with the terms of the financing documents by the Rate Lock Funding Date, in order to lock the interest rate for this transaction, Issuer agrees that if for any reason the full Rate Lock Amount is not funded in accordance with the terms of the financing documents by the Rate Lock Funding Date, then Issuer shall pay a Reinvestment Premium to the Bank within 5 business days of the Bank’s written request, as further described below.

- I. A Reinvestment Premium shall be due and payable if (i) exceeds (ii) where (i) equals total scheduled interest payments due on the Rate Lock Amount calculated at the Swap Rate (defined below) on the Rate Lock Date plus xx basis points, and (ii) equals the total scheduled interest payments due on the Rate Lock Amount calculated at the Swap Rate on the Rate Lock Breakage Date. For purposes of calculating the Reinvestment Premium, “Swap Rate” means the USD 1100 ICE Swap Rate that appears on Reuters page “ICESWAP1” or any successor page established by Reuters (the “Service”) at approximately 11:15 a.m., New York City time on the applicable date for the Designated Tenor or the following alternatives, as applicable: (i) if the Service does not publish a USD 1100 ICE Swap rate on either the Rate Lock Date or the Rate

Lock Breakage Date, the most recent USD ICE Swap Rate published by the Service as of the Rate Lock Date or Rate Lock Breakage Date, as applicable, will be utilized; (ii) if the Service no longer publishes a USD 1100 ICE Swap Rate, the USD ICE Swap Rate published by the Service at different times on that date may be utilized; (iii) if the Service no longer publishes any USD ICE Swap Rates, the Bank may utilize other sources for determining the value of the USD ICE Swap Rates or may, in lieu of the USD ICE Swap Rates, utilize other US dollar interest rate swap rates obtained from other sources that it determines, in its sole discretion, provide current market-based information as to mid-price US dollar interest rate swap rates; or (iv) if there is no Swap Rate for the Designated Tenor, the applicable Swap Rate will be based upon the linear interpolation between the Swap Rates reported by the Service (or alternative sources) for the closest tenors above and below the Designated Tenor. The Bank's determination of the interpolated rate shall be deemed conclusive.

II. If (ii) above is equal to or greater than (i) above, then no Reinvestment Premium is due.

III. The Reinvestment Premium payable to the Bank shall be equal to the net present value of the difference in scheduled interest payments of (i) above less (ii) above for each scheduled interest period, discounted at the applicable Swap Rate as of the Rate Lock Breakage Date, as determined above.

If the Issuer is in agreement with the above, please indicate such acceptance by providing signatures as set forth below, and returning this letter to my attention. This rate lock letter is only effective if the Commitment Letter, as issued by the Bank, has been timely executed by the Issuer.

JPMorgan is delighted to be of assistance in this matter and looks forward to working with you to complete this transaction.

Yours truly,

**JPMORGAN CHASE BANK, N.A.**

By: \_\_\_\_\_

Name: John McAuley

Its: Executive Director

Agreed to and accepted by:

CITY OF ST. PETERSBURG, FLORIDA

Date: October 5, 2017

By: \_\_\_\_\_

Name: Anne A. Fritz

Its: Finance Director

**J.P.Morgan**

October 5, 2017

J.P.Morgan

**CREDIT FACILITY COMMITMENT**

**Direct Purchase of a Non-Bank Qualified Tax-Exempt Bond Anticipation Note issued by the City of St. Petersburg in the amount of up to \$120,000,000**

# J.P.Morgan

October 5, 2017

Anne Fritz  
City of St. Petersburg  
[Anne.fritz@stpete.org](mailto:Anne.fritz@stpete.org)

Dear Anne:

The City of St. Petersburg (the "Issuer"), has requested that JPMorgan Chase Bank, N.A. purchase a non-bank qualified tax-exempt bond anticipation note (the "Facility" or "Note") in the aggregate principal amount of \$120,000,000. JPMorgan Chase Bank, N.A. (the "Purchaser") is pleased to confirm its willingness purchase the Note in the amount of \$120,000,000, (the "Commitment") on the terms and conditions set forth herein and in the term sheet attached hereto (the "Term Sheet").

The obligation of JPMorgan Chase Bank, N.A. or one of its affiliates to provide credit to the Issuer in the form of its purchase of the Note is subject to the execution and delivery of loan documentation (the "Bond Documents") that is satisfactory to the Purchaser and its legal counsel. The Bond Documents shall contain such representations, warranties, covenants, events of default, conditions precedent, remedies and general provisions that the Purchaser and its counsel deem necessary and shall otherwise be satisfactory in form and substance to the Purchaser and its counsel. The terms, covenants, and conditions set forth in the Term Sheet merely outline some of the principal provisions of the Bond Documents rather than a full and complete description or exclusive list of all terms, covenants and conditions which shall be included in the Bond Documents. To the extent that any terms, covenants and conditions in the Bond Documents are inconsistent with this Commitment, the terms, covenants and conditions in the Bond Documents shall control. The Purchaser's obligation under this Commitment shall also be subject to (a) the Purchaser's determination that there is no material adverse change in the business, condition (financial or otherwise), operations, performance or properties of the Issuer from its most recent audited financial statements dated September 30, 2016, (b) the Purchaser not becoming aware after the date hereof of any information or other matter affecting the Issuer or the transactions contemplated hereby which is inconsistent in a material and adverse manner with any such information or other matter disclosed to us prior to the date hereof, (c) the Issuer's compliance with the terms of this commitment letter and (d) the other conditions set forth or referred to herein and in the Term Sheet.

The Issuer hereby agrees to reimburse the Purchaser for all reasonable and documented out-of-pocket expenses (including the reasonable fees, time charges and expenses of attorneys for the Purchaser, which attorneys may be employees of the Purchaser) incurred in connection with the preparation, negotiation, execution, and enforcement of this commitment letter, the Bond Documents and any other documentation contemplated hereby or thereby.

The obligations of the Purchaser under this commitment letter are enforceable solely by the Issuer and may not be relied upon by any other person. The Purchaser shall not be liable under this commitment letter or any Bond Document or in respect of any act, omission or event relating to the transaction contemplated hereby or thereby, on any theory of liability, for any special, indirect, consequential or punitive damages. **IF THIS COMMITMENT LETTER, THE TERM SHEET OR ANY SUCH ACT, OMISSION OR EVENT BECOMES THE SUBJECT OF A DISPUTE, THE ISSUER AND THE PURCHASER EACH HEREBY WAIVE TRIAL BY JURY.**

This commitment letter and the Term Sheet supersede any and all prior versions hereof or thereof. This commitment letter may only be amended by a writing signed by all parties hereto. This commitment letter shall be governed by the internal laws of the State of Florida.

This commitment letter and the Term Sheet are submitted to you in our capacity as a lender in an arm's length commercial transaction. Purchaser is acting solely as a principal and not as a "Municipal

Advisor” as defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the “Municipal Advisor Rules”) or any other agent or fiduciary capacity. Purchaser is providing this information to you in reliance on the Bank exemption in the Municipal Advisor Rules and is not recommending that you take action or refrain from taking action or providing any advice. Please see “Municipal Advisor Disclosures and Disclaimers” in the Term Sheet for further information relating to the same.

You acknowledge that JPMorgan Chase Bank, N.A. and any of its affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transactions described herein and otherwise. Neither JPMorgan Chase Bank, N.A. nor any of its affiliates will use confidential information obtained from you by virtue of the transactions contemplated by this commitment letter or their other relationships with you in connection with the performance by JPMorgan Chase Bank, N.A. or any of its affiliates of services for other companies, and neither JPMorgan Chase Bank, N.A. nor any of its affiliates will furnish any such information to other companies. You also acknowledge that JPMorgan Chase Bank, N.A. and its affiliates have no obligation to use in connection with the transactions contemplated by this commitment letter or to furnish to you confidential information obtained from other companies.

The terms and provisions contained herein and in the Term Sheet shall continue and are and shall remain absolute obligations of the Issuer, unless and until superseded by the provisions of definitive Bond Documents, whether or not the Bond Documents are executed or any loan is made by the Purchaser or any conditions of lending are met.

If the foregoing correctly sets forth our agreement, please indicate the Issuer’s acceptance of the terms hereof and of the Term Sheet by returning to the Purchaser an executed counterpart hereof not later than 5:00 p.m., New York City time, on October 5, 2017. The Purchaser’s commitment will expire at such time in the event the Purchaser has not received such executed counterpart in accordance with the immediately preceding sentence. This commitment letter and Term Sheet supersede any and all prior versions hereof and thereof.

Sincerely,

\_\_\_\_\_  
JPMorgan Chase Bank, N.A.

By: Jackie Watson

Title: Executive Director, Credit Risk Director

ACCEPTED AND AGREED TO:

\_\_\_\_\_  
**City of St. Petersburg**

By: Anne A. Fritz

Title: Finance Director

Date: October 5, 2017

CC: Mark-David Adams, Locke Lord LLP  
Jay Glover, Public Financial Management

**J.P.Morgan**



**Prepayment:** The Note may be prepaid in whole or in part, without premium or penalty, on any date on or after April 10, 2018. Any prepayment prior to April 10, 2018 is subject to breakage costs payable by the Issuer.

**Day Basis/Year:** 30/360

**Base Rate:** The higher of (i) the Bank's Prime Rate and (ii) 2.5% plus the one month Adjusted LIBOR Rate, as such terms will be more particularly described in the related bond documents.

**Default Rate:** Base Rate + 4.00%

### **SECTION III OTHER TERMS AND PROVISIONS**

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**Security:** Lien on proceeds of the takeout senior lien bonds and a subordinate pledge of utility system revenues, on parity with the utility system's outstanding Florida Department of Environmental Protection loans, and payable as Subordinated Debt under the Bond Resolution.

**Drawdown:** The proceeds of the Note will be fully drawn on the date of issuance.

**Required Documents:** The terms of this financing will be evidenced by agreements, instruments and documents (collectively, the "Note Documents") that are usual and customary for a Bond Anticipation Note. The required documentation will include, but not be limited to, the terms and conditions outlined herein as well as the Bank's standard provisions with respect to representations and warranties, covenants, events of default, remedies, conditions precedent, waiver of jury trial, and other general provisions that the Purchaser and its counsel deem necessary and will otherwise be satisfactory in form and substance to the Purchaser and its counsel. Such documents will be prepared by Bond Counsel or Issuer's Counsel, as appropriate.

**Conditions Precedent:** Usual and customary representations and warranties and other conditions prior to the issuance of the Note for like situated issuers and for the type and term of the Facility, including absence of default, absence of material litigation and absence of material adverse change from the Issuer's financial conditions and operations as reflected in the most recent audited financial statements of the Issuer.

Additional conditions precedent will include delivery of acceptable documentation and legal opinions; including an opinion of bond counsel as to the validity and enforceability and lien status as Subordinated Debt of the obligations of the Issuer under the documents and that interest payable on the Note is exempt from federal and State of Florida income taxation.

**Financial Covenants:** None

**Reporting Covenants:** None

**Tax Gross-Up:** In the event that the Note subsequently loses its tax exemption as a result of violations of the tax covenants, the Purchaser will require an adjustment to the Interest Rate payable on the Note to account for such loss of tax exemption.

The Purchaser will not require any adjustment to the Interest Rate for (i) changes to the regulatory environment or required regulatory capital, (ii) changes to the Purchaser's marginal corporate tax rate or (iii) changes due to a decline in the Issuer's public bond rating. Any adjustment to the Interest Rate will solely be related to the loss of tax exemption for violations of the tax covenants.

Any adjustment to the Interest Rate will solely be related to the loss of tax exemption for violation of the tax covenants.

**Sale / Assignment:** The Issuer will agree that the Purchaser may without limitation (i) at any time sell, assign, pledge or transfer all or a portion of the Note, or one or more interests in all or any part of the Purchaser's rights and obligations under the Facility to one or more assignees and/or participants which may include affiliates of the Bank; and (ii) at the Purchaser's option, disclose information and share fees with such assignees and/or participants.

**Waiver of Jury Trial:** The Issuer and the Purchaser will waive, to the fullest extent permitted by applicable law, any right to have a jury participate in resolving any dispute in any way related to this Term Sheet, any related documentation or the transactions contemplated hereby or thereby.

**Governing Law:** All aspects of the Facility being discussed including this Term Sheet and any Bond Documents will be governed by the laws of the State of Florida.

## **SECTION IV OTHER BANK REQUIREMENTS**

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**Municipal Advisor Disclosure:** The Issuer acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between the Issuer and the Bank and its affiliates, (ii) in connection with such transaction, the Bank and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the Issuer, (iii) the Bank and its affiliates are relying on the Bank exemption in the Municipal Advisor Rules, (iv) the Bank and its affiliates have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not the Bank, or any affiliate of the Bank, has provided other services or advised, or is currently providing other services or advising the Issuer on other matters), (v) the Bank and its affiliates have financial and other interests that differ from those of the Issuer, and (vi) the Issuer has consulted with its own financial, legal, accounting, tax and other advisors, as applicable, to the extent it deemed appropriate.

**Expenses:** The Issuer will pay or reimburse the Purchaser for all its documented, out-of-pocket costs and expenses and reasonable attorneys' fees where not prohibited by applicable law and incurred in connection with (i) the development, preparation and execution of the Note, and (ii) in connection with the enforcement or preservation of any rights under any agreement, any amendment, supplement, or modification thereto, and any other loan documents both before and after judgment.

**Legal Counsel:** The Bank will engage Locke Lord LLP as the Purchaser's legal counsel. Mark-David Adams will be acting in the capacity of attorney representing the Purchaser.

Legal fees are estimated at \$6,500.

Mark-David Adams  
Locke Lord LLP  
525 Okeechobee Boulevard, Suite 1600  
West Palm Beach, FL 33401  
Phone: (561) 820-0281  
Fax: (561) 655-8719  
Email: [mark.adams@lockelord.com](mailto:mark.adams@lockelord.com)

**Information Sharing:** The Issuer will agree that the Purchaser may provide any information or knowledge the Purchaser may have about the Issuer or about any matter relating to the Facility described in this Term Sheet to JPMorgan Chase & Co., or any of its subsidiaries or affiliates or their successors, or to any one or more purchasers or potential purchasers of the Note, or participants or assignees of the Note or the Facility described in this letter.

<b>BUDGET, FINANCE AND TAXATION COMMITTEE</b>	<b>September 28, 2017</b>
<b>PENDING/CONTINUING REFERRALS</b>	

Topic	Return Date	Date of Referral	Prior Meeting	Referred by	Staff	Notes
Utility Rate Study	9/28/17 11/9/17 (if needed)		7//27/17		Claude Tankersley/Anne Fritz	
2018 Management Evaluation	10/12/17	Annual		Ordinance	Brad Scott	
Quarterly Grant Reports	Q3 10/26/17 Q4 11/9/17	Quarterly		City Council	Shrimatee Ojah-Maharaj	
Customer Assistance Programs for Utilities	10/26/17				Kim Streeter	
Quarterly Financial Reports	Q4 11/9/17	Quarterly		City Council	Anne Fritz Tom Greene	
2017 Management Evaluation	180 days 11/9/17?	10/2016 by ordinance		City Council	Brad Scott	Brad Scott preparing scope re: Water Resources. Prebid meeting for RFP held 1/18/17. Mr. Scott to contact Chair Kennedy reference 2/23 return date. Updated return date on 1/23/17. Presentations to return on 3/23/17. (4/17/17 note added) to be scheduled to return to full council. 5/25/17 - Brad stated a signed contract has been returned to LA Consulting - report to committee in 180 days
2018 Health Insurance Renewal	12/14/17	Annual		BF&T	Chris Guella	
Possible increased funding for the Mainstreet programs that currently exist	TBD	6/15/17		Kornell		
Discussion on funding Energy Efficiency and Retrofits	TBD	8/24/17		Nurse		Resulted from ENRS Report

Minority Business Enterprise and consideration of a disparity study	TBD	8/24/17		Montanari	Louis Moore	Resulted from Public Hearing - SBE Ordinance
Alternate Funding for Water Resources Update (TIF)	TBD	9/8/16			Anne Fritz	To be discussed at COW on 1/26/17
Discussion for use of Tourist Development Tax, including Arts Funding - Follow-up	TBD	8/21/14		City Council	Joe Zeoli	Meeting to include David Downing of the TDC. Gerdes to follow-up
Consideration of a revision to the Small Business Enterprise ordinance		2/2/17	6/15/2017 7/20/2017	City Council	Councilmember Nurse	Will provide quarterly updates to the BF&T committee
Refer PILOF discussion		1/26/17	8/17/17	City Council - COW 1/26/17	Kornell	
2018 Property Insurance Renewals	Mar-18	Annual			Blaise Mazzola/Chris Guella	
External Audit	Mar-18	Annual			Anne Fritz	

**BUDGET, FINANCE & TAXATION COMMITTEE**  
**WEEKI WACHEE PROJECT LIST**

September 14, 2017

<i>TOPIC</i>	<i>DATE REFERRED</i>	<i>REFERRED BY</i>	<i>RETURN DATE</i>	<i>STAFF RESPONSIBLE</i>	<i>SPECIAL NOTES</i>
Youth Sports Field at Thurgood Marshall Middle School	10.06.16	CM Wheeler-Bowman	TBD	McBee/Jefferis	
Maximo Park Project	05.12.11	Kornell	TBD	McBee/Jefferis	Referred to COW on 7/14/16 Scheduled COW on 7/28/16 \$150,000 allocated by council on 8/4/16
City Trail Shade Tree Planting Program Project	08.03.17	Nurse	10/19/17 COW		
Booker Creek Park Project	08.03.17	Foster	10/19/17 COW		