

RESOLUTION R-21-101

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS, MANATEE COUNTY, FLORIDA, DECLARING MANATEE COUNTY'S OFFICIAL INTENT TO SEEK REIMBURSEMENT FROM PROCEEDS OF DEBT OBLIGATIONS ISSUED IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$100,000,000 FOR CERTAIN PAST AND FUTURE CAPITAL EXPENDITURES FOR CAPITAL PROJECTS RELATING TO CONSTRUCTION OF VARIOUS GENERAL GOVERNMENT PROJECTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Manatee County, Florida (the "Board") has authorized certain capital projects contained in the General Government Capital Improvement Plan (herein, "Projects"); and

WHEREAS, Manatee County, Florida (the "County") proposes to issue debt obligations in one or more series from time to time (the "Bonds and Notes") to finance all or a portion of the costs of the Projects; and

WHEREAS, the County has incurred and anticipates that it will incur certain capital expenditures ("Capital Expenditures") relating to the Projects prior to the issuance of such Bonds and Notes; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code") and applicable regulations (the "Regulations") require the County to declare its official intent in connection with incurring certain Capital Expenditures in connection with the Projects prior to the issuance of the Bonds and Notes in order to allow the County to be reimbursed for such expenditures from a portion of the proceeds of the Bonds and Notes; and

WHEREAS, it is intended by the Board that this Resolution constitutes such official intent with respect to the reimbursement of the certain Capital Expenditures incurred or to be incurred prior to the closings of the Bonds and Notes; and

WHEREAS, such Capital Expenditures incurred for a portion of the Projects were paid or will initially be paid from revenues of the General Fund of the County prior to its intended reimbursement from the proceeds of the Bonds; and

WHEREAS, only the Capital Expenditures incurred by the County or to be incurred subsequent to a period commencing sixty (60) days prior to the date of adoption of this Resolution and ending prior to the later of eighteen (18) months of the date such Capital Expenditures are placed in service or three (3) years after the date the Capital Expenditures were made.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA:

Section 1: The recitals set forth above are adopted by the Board as the findings of the County and are incorporated herein.

Section 2: The statements contained in this Resolution with respect to the reimbursement of the Capital Expenditures referred to in this Resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Section 1.150-2(e) of the Regulations of the Code.

Section 3: The Capital Expenditures shown in Addendum 1 to be reimbursed pursuant to this Resolution will be incurred prior and subsequent to the date hereof, provided that the earliest date is not more than sixty (60) days prior to the date of adoption of this Resolution.

Section 4: The maximum principal amount of the Bonds and Notes that may be issued for the Projects is approximately \$100,000,000. Such Bonds and Notes are to be secured by either a pledge of non-ad valorem revenues or covenant to budget such non-ad valorem revenues.

Section 5: The County reasonably expects to reimburse the expenditures contemplated under this Resolution with a portion of the proceeds of the Bonds and Notes of the County subsequent to the date hereof, and no funds from sources other than the "reimbursement bond issue" (as such term has the meaning assigned to it under the Regulations) portion of the Bonds and Notes are, or are reasonably expected to be reserved, allocated on a long term basis, or otherwise set aside by the County pursuant to the County's budget or financial policies to pay for such expenditures.

Section 6: The County will, upon receipt of the proceeds of the Bonds and Notes (or within 30 days thereof), allocate in writing the amount of proceeds of the Bonds and Notes (i.e., the reimbursement bond issue) used to reimburse the prior capital expenditures incurred in connection with the Projects (herein, the "Prior Expenditures"). Such allocation will be accomplished within the later of 18 months from the earliest date such Prior Expenditures were incurred or the dates the applicable Projects are placed in service (but in no event later than 5 years after the first Prior Expenditures were made).

Section 7: This Resolution shall take effect immediately upon adoption.

ADOPTED with a quorum present and voting this the 8th day of June, 2021.

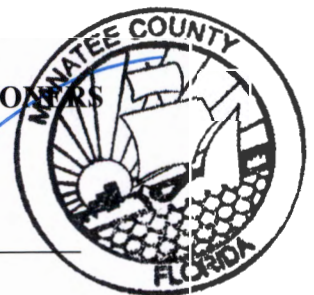
Attested:

**ANGELINA COLONNESO
CLERK OF THE CIRCUIT COURT**

By: Uebi Tessner
Deputy Clerk

**BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY, FLORIDA**

By: _____
Chairperson



RESOLUTION B-21-094
AMENDING THE ANNUAL BUDGET
FOR MANATEE COUNTY, FLORIDA
FOR FISCAL YEAR 2021

WHEREAS, Florida Statutes 129.06, authorizes the Board of County Commissioners to amend its budget for the current fiscal year as follows:

- a) Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased, provided the total appropriations of the fund are not changed.
- b) Appropriations from reserves may be made to increase the appropriation for any particular expense in the same fund, or to create an appropriation in the fund for any lawful purpose.
- c) Unanticipated revenues, including increased receipts for enterprise or proprietary funds, may be appropriated for their intended purpose, and may be transferred between funds to properly account for the unanticipated revenue.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Manatee County, Florida that the 2020-2021 budget is hereby amended in accordance with FS 129.06 as described in the description and specified in the budget adjustment batch file listed below:

Department: FINANCIAL MANAGEMENT
 Department: PUBLIC WORKS & TRANSIT
 Fund: REVENUE IMPROVEMENT NOTES CAPITAL PROJECTS, SERIES 2021
 Description: Appropriates \$40,000,000 loan proceeds from the issuance of the County's Revenue Improvement Notes, Series 2021. The first draw of loan proceeds will be used for the projects listed below in the amount \$4,839,500, and the remaining loan proceeds in the amount of \$35,071,100 will be placed in reserves for projects already earmarked in the recommended FY22-26 CIP and \$89,400 will be used for cost of issuance (COI). The Notes are expected to be repaid in 2-3 years, with a new bond issuance, with monthly interest payments calculated at a variable rate. This budget amendment is being presented for approval to the Board with the Note agreement and Resolution R-21-099, with recommendation from the Financial Advisor and Bond Counsel with an expected closing date of June 11, 2021.

<u>Project #</u>	<u>Project Description</u>	<u>Amount</u>
6071262	Moccasin Wallow Rd – Segment 2 & 3	\$ 1,500,000
6107560	Lena Road - South of 44th Ave E to Landfill Rd	500,000
6107660	Lorraine Road - SR 64 to 59th Ave E	500,000
6107760	Upper Manatee River Rd N of SR 64 to Fort Hamer Bridge	500,000
6107860	63rd Ave E - US 301 to Tuttle Ave	500,000
6107960	Lockwood Ridge Rd Rebase and Resurf - 56th Ave Ter E - Univ Parkway	195,000
6108060	9th Street East - US 301 to SR 64 Rebase and Resurfacing	51,000
6108160	53rd Ave W - 14th St W - 43rd St W	93,500
6108260	75th St - 20th Ave W to Manatee Ave	500,000
6108360	59th St W from Cortez to Manatee Ave	500,000
Total \$		4,839,500

This budget amendment adjusts the FY21-25 CIP.

Batch ID: CC51521A

Reference: BU21000344

ADOPTED IN OPEN SESSION WITH _____ PRESENT AND VOTING THIS 8th DAY OF June, 2021.



BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY, FLORIDA

By: _____
Chairman

ATTEST: Angelina Colonnese
Clerk of Circuit Court

By: Wibe Jessner
Deputy Clerk.

R-21-099

**MANATEE COUNTY, FLORIDA
REVENUE IMPROVEMENT NOTE, SERIES 2021**

NOTE RESOLUTION

Adopted June 8, 2021

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RESOLUTION NO. R-21-099

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF A NOTE IN THE INITIAL AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$40,000,000 AND DESIGNATED MANATEE COUNTY, FLORIDA, REVENUE IMPROVEMENT NOTE, SERIES 2021 (THE "NOTE") TO FINANCE THE COSTS OF CERTAIN CAPITAL PROJECTS; AUTHORIZING THE NEGOTIATED PRIVATE PLACEMENT OF THE NOTE WITH PNC BANK, NATIONAL ASSOCIATION (THE "LENDER"); APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BETWEEN THE COUNTY AND THE LENDER; AUTHORIZING THE CLERK TO MAKE CERTAIN DETERMINATIONS WITH RESPECT TO THE NOTE SUBJECT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPOINTING A PAYING AGENT AND REGISTRAR; PROVIDING FOR THE TERMS AND PAYMENT OF SUCH NOTE; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE LENDER THEREOF; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Manatee County, Florida, a political subdivision of the State of Florida (the "County") initiated a request for proposals ("RFP") from certain lending institutions to finance certain capital projects described on Exhibit "A" attached hereto (collectively, the "CBA Projects"); and

WHEREAS, in order to finance the CBA Projects, and as a result of such RFP and proposals from various lending institutions, PNC Bank, National Association (the "Lender") provided the overall best proposal (herein, the "PNC Proposal") to provide financing for the CBA Projects the County has elected to finance, taking into account interest rates and the term of the loan to be made by the Lender (the "CBA Loan"); and

WHEREAS, pursuant to the PNC Proposal, this Resolution, the CBA Loan Agreement (as herein defined), and the CBA Note (as herein defined), the Lender has agreed to make the

CBA Loan to the County on a draw-down basis in the principal amount of not exceeding \$40,000,000; and

WHEREAS, the CBA Note will be issued pursuant to the terms and provisions of this Resolution and the CBA Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, AS FOLLOWS:

ARTICLE I
DEFINITIONS, FINDINGS AND STATUTORY AUTHORITY

Section 1. DEFINITIONS. In addition to the terms heretofore defined in the recitals set forth above, the following terms shall have the following meanings:

“ACT” shall mean the Constitution of the State of Florida, Part I of Chapter 125, Florida Statutes, as amended and supplemented, and other applicable provisions of law.

“AUTHORIZED DENOMINATION” shall mean the Outstanding principal amount of the CBA Note issued hereunder.

“BOARD” shall mean the Board of County Commissioners of Manatee County, Florida, the governing body of the County.

“BOND COUNSEL” shall mean a firm or firms of nationally recognized attorneys-at-law selected by the County and experienced in the financing of capital projects for governmental units through the issuance of tax-exempt revenue obligations under the exemption provided under Section 103(a) of the Code.

“BUSINESS DAY” shall mean any day other than a Saturday, Sunday, legal holiday or a day on which the Payment Office of the Owner is lawfully closed.

“CBA LOAN” shall mean the loan made by the Lender to the County pursuant to the CBA Loan Agreement for the purpose of financing the CBA Projects.

“CBA LOAN AGREEMENT” shall mean that certain Loan Agreement expected to be dated as of June 1, 2021 by and between the County and the Owner which CBA Loan Agreement will evidence the terms of the CBA Loan. The CBA Loan will be made in the form of a non-revolving line of credit.

“CBA NOTE” shall mean the County’s Revenue Improvement Note, Series 2021.

“CBA PROJECTS” shall mean the capital projects described on Exhibit “A” attached hereto and any other capital projects in addition or in substitution of the list on Exhibit “A” determined to be appropriate by the County to be financed in whole or in part with the proceeds of the CBA Loan.

“CLERK” shall mean the Clerk of the Board and Chief Financial Officer of the County, or such person who is authorized to act on her behalf.

“CODE” shall mean the Internal Revenue Code of 1986, as amended, and all subsequent tax legislation duly enacted by the Congress of the United States. Each reference to a section of the Code herein shall be deemed to include, if applicable, temporary or proposed regulations, revenue rulings and proclamations issued or amended with respect thereto.

“COUNTY” shall mean Manatee County, a political subdivision of the State of Florida.

“DEBT SERVICE FUND” shall mean that certain fund by that name created in Section 4.C of Article III hereof.

“FISCAL YEAR” shall mean that period commencing on October 1 and continuing to and including the next succeeding September 30, or such other annual period as may be prescribed by law as the fiscal year of the County.

“INTEREST PAYMENT DATE” shall have the meaning set forth in the CBA Loan Agreement.

“MATURITY DATE” shall mean the date that is the two (2) year anniversary after the initial issuance of the CBA Note or if not a Business Day, the preceding Business Day unless the Term-Out Option (as defined in the CBA Loan Agreement) has been implemented, in which case the maturity of the CBA Note shall be the last Business Day of the Term-Out Option period.

“NON-AD VALOREM REVENUES” shall mean all revenues of the County derived from any source whatever other than ad valorem taxation on real and personal property, which are legally available for payment of debt service by the County on the CBA Note.

“OWNER,” or “REGISTERED OWNER” or any similar term, shall mean any person who shall be the registered owner of the CBA Note Outstanding under the terms of this Resolution.

“OUTSTANDING” shall mean, when used with reference to the CBA Note, as of any particular date, the CBA Note authenticated and delivered by the Registrar under this Resolution, except any principal amount of the CBA Note canceled because of prepayment prior to maturity.

“PAYING AGENT” shall mean the office of the Clerk, or if the Board shall so determine by subsequent proceedings, a bank or trust company appointed by subsequent proceedings of the Board to act as Paying Agent hereunder.

“PAYMENT OFFICE OF THE LENDER” shall have the meaning set forth in the CBA Loan Agreement as set forth in Section 21 thereof.

“PERMITTED INVESTMENTS” shall mean (i) U.S. Obligations and (ii) all other investments permitted under the laws of Florida and consistent with the investment policies of the County.

“PLEDGED REVENUES” shall mean (i) the Non-Ad Valorem Revenues deposited in the Debt Service Fund created and established under this Resolution, (ii) investment income received from the investment of moneys in the Debt Service Fund, (iii) any other moneys deposited in the Debt Service Fund or received by the Paying Agent in connection with the repayment of the CBA Note, and (iv) amounts on deposit in the CBA Acquisition and Construction Fund until withdrawn to finance the CBA Projects.

“REGISTRAR” shall mean the office of the Clerk, or if the Board shall so determine by subsequent proceedings, any bank or trust company appointed by subsequent proceedings of the Board to act as Registrar hereunder.

“RESOLUTION” shall mean this Resolution as the same may from time to time be amended and supplemented in accordance with the terms hereof.

“TAX CERTIFICATE” shall mean the certificate as to arbitrage and instructions as to compliance with the provisions of Section 103(a) of the Code, executed by the County on the date of initial issuance and delivery of the CBA Note, as such Tax Certificate may be amended from time to time, and which serves as a source of guidance for achieving compliance with the Code.

“U.S. OBLIGATIONS” shall mean direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America, and, if determined by subsequent proceedings of the Board, certificates which evidence ownership of the right to the payment of the principal of, or interest on, such obligations.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include

the plural number and vice versa unless the context shall otherwise indicate. The word “person” shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors. Any capitalized term used in this Resolution and not otherwise defined shall have the meaning ascribed to such term in the CBA Loan Agreement.

Section 2. FINDINGS. It is hereby ascertained, determined and declared:

A. That the recitals hereinbefore mentioned are hereby adopted.

B. That the Board deems it necessary, desirable and in the best interest of the citizens and residents of the County to issue the CBA Note to provide the funds necessary, together with other legally available moneys, to finance all or a portion of the CBA Projects, as described on Exhibit “A,” as such Exhibit “A” may be amended and supplemented from time to time.

C. That the principal of and interest on the CBA Note to be issued pursuant to this Resolution will be paid from the Pledged Revenues, all as provided herein and in the CBA Loan Agreement; and the ad valorem taxing power of the County will never be necessary or authorized to pay the principal of and interest on the CBA Note to be issued pursuant to this Resolution; and the CBA Note issued pursuant to this Resolution shall not constitute a lien upon any property whatsoever of or in the County and shall not be an indebtedness of the County within the meaning of any Constitutional, statutory or other limitation of indebtedness, but shall be payable solely from the Pledged Revenues.

D. That the Pledged Revenues will be sufficient to pay the principal of and interest on the CBA Note to be issued pursuant to this Resolution, as the same becomes due and

payable and any other payments provided for in this Resolution and in the CBA Loan Agreement.

E. That the Board hereby determines, based on the nature of the financing of the CBA Projects, volatility in the capital markets and timing issues, that it will be in the best economic interest of the County to obtain the CBA Loan from the Lender pursuant to the CBA Loan Agreement and to evidence the CBA Loan by the issuance of the CBA Note and private placement thereof to the Lender.

F. That the final terms of the CBA Loan and the CBA Note, if not set forth in this Resolution, shall be set forth in the CBA Loan Agreement, subject to the parameters set forth herein.

Section 3. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Act.

Section 4. RESOLUTION CONSTITUTES CONTRACT. In consideration of the acceptance of the CBA 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 County and the Owner and the covenants and agreements set forth in the CBA Loan Agreement.

ARTICLE II
AUTHORIZATIONS, TERMS, EXECUTION AND REGISTRATION OF NOTE

Section 1. AUTHORIZATION OF CBA NOTE. Subject and pursuant to the provisions of this Resolution, obligations of the County to be known as “Revenue Improvement Note, Series 2021,” are hereby authorized to be issued from time to time in the principal amount of FORTY MILLION DOLLARS (\$40,000,000) or such lesser amount as shall have been advanced under the CBA Loan Agreement (the “CBA Note”), to be issued, delivered and

secured as provided in the CBA Loan Agreement and herein. The CBA Note shall be issued for the purpose described in Section 2 of Article I hereof and to pay all or a portion of the cost of issuing the CBA Note. The actual principal amount of the CBA Note Outstanding shall be equal to an amount of the CBA Loan advanced by the Owner pursuant to the CBA Loan Agreement, less any principal amount of such CBA Loan repaid by the County. The maximum principal amount of the CBA Loan shall at no time during the term of the CBA Loan exceed \$40,000,000. The CBA Note will be issued on a draw-down basis and amounts advanced and repaid shall not be available to be re-advanced.

Section 2. GENERAL DESCRIPTION OF CBA NOTE. The CBA Note shall be issued in registered certificated form, shall be in the denomination equal to the principal amount of the CBA Loan advanced and not repaid not exceeding \$40,000,000 and shall, subject to earlier prepayment, mature on the Maturity Date as set forth in the CBA Loan Agreement.

The CBA Note (issued in one (1) typewritten certificate) shall be dated the date of initial issuance of such CBA Note. The CBA Note shall bear interest on the Outstanding principal amount of the CBA Note at the interest rate or rates per annum determined in accordance with the CBA Loan Agreement. Interest on the CBA Note shall be payable on the interest payment dates set forth in the CBA Loan Agreement. The Outstanding principal of the CBA Note shall be payable on the Maturity Date.

Principal of and interest on the CBA Note shall be payable at the office of the Paying Agent (the designated corporate trust office of the Paying Agent if the office of the Clerk is not the Paying Agent).

The CBA Note shall be payable, with respect to interest and principal, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Notwithstanding the foregoing, payment shall be effected by payment to the Owner of the principal and interest then due without surrender of the CBA Note; including prepayments in part, such payment to be evidenced by the records of the County and the Owner and such records shall be conclusive and binding upon the County and the Owner absent manifest error. Payment to the Owner shall be made by wire transfer in accordance with instructions provided by the Owner or in such other manner as agreed upon in writing by the County and the Owner.

Upon a payment or prepayment in whole, the County understands that the Owner will promptly thereafter surrender the CBA Note to the County marked "satisfied" or "paid in full." No presentment shall be required for any payment prior to payment at maturity or earlier prepayment in whole. If, on the prepayment date, funds for the payment of the principal amount to be prepaid, together with accrued and unpaid interest to the prepayment date on such principal amount, shall have been provided to the Owner, as above provided, then from and after the prepayment date interest on such principal amount of the CBA Note which is prepaid shall cease to accrue. If said funds shall not have been so paid on the proposed prepayment date, the principal amount of such CBA Note shall continue to bear interest until payment thereof at the applicable interest rate determined in accordance with the CBA Loan Agreement.

Section 3. EXECUTION OF CBA NOTE. The CBA Note shall be executed in the name of the County by the signature of the Chairperson of the Board or in the absence of the Chairperson, any Vice Chairperson of the Board, and its official seal shall be affixed thereto or imprinted or reproduced thereon and manually attested by the Clerk or any Deputy Clerk. The

signatures of said Chairperson, Vice Chairperson, Clerk or Deputy Clerk on the CBA Note shall be by manual signature. In case any one or more of the officers who shall have signed or sealed the CBA Note shall cease to be such officer of the County before the CBA Note so signed and sealed shall have been actually delivered, such CBA Note may nevertheless be delivered as herein provided and may be issued as if the person who signed or sealed such CBA Note had not ceased to hold such office.

The CBA Note shall bear thereon a certificate of authentication, in the form set forth in the CBA Loan Agreement, executed manually by the Registrar. Only such CBA Note as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Resolution, and no CBA Note shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Registrar. Such certificate of the Registrar upon the CBA Note executed on behalf of the County shall be conclusive evidence that the CBA Note has been so authenticated and that the Owner thereof is entitled to the benefits of this Resolution.

Section 4. NEGOTIABILITY, REGISTRATION AND CANCELLATION. The Registrar shall keep books for the registration of CBA Note and for the registration of transfers of CBA Note. Subject to the next succeeding sentences, the CBA Note shall be transferable by the Owner thereof in person or by his attorney duly authorized in writing only upon the books of the County kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the Owner or his duly authorized attorney. The CBA Note is only transferable to an affiliate of the Owner, to an “accredited investor” within the meaning of Rule 501 of the Securities Act of 1933, as amended and supplemented (the “33 Act”) or to a “qualified institutional buyer” under Rule 144A of the

33 Act, and upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his or her duly authorized attorney. Upon the transfer of the CBA Note, the County shall issue in the name of the transferee a new CBA Note. The Owner may at any time pledge or grant a security interest in all or any portion of its rights under this Resolution and the CBA Note to secure obligations of the Owner, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release the Owner from any of its obligations hereunder or substitute any such pledgee or assignee for the Owner as a party hereto.

The County, the Paying Agent and the Registrar shall deem and treat the person in whose name the CBA Note shall be registered upon the books kept by the Registrar as the absolute Owner of the CBA Note, whether the CBA Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the CBA Note as the same become due and for all other purposes. All such payments so made to any such Owner or upon his or her order shall be valid and effectual to satisfy and discharge the liability such CBA Note to the extent of the sum or sums so paid, and neither the County, the Paying Agent nor the Registrar shall be affected by any notice to the contrary.

In all cases in which the privilege of transferring the CBA Note is exercised, the County shall execute, and the Registrar shall authenticate and deliver, a CBA Note in accordance with the provisions of this Resolution. The CBA Note surrendered in any such transfer shall forthwith be delivered to the Registrar and canceled by the Registrar in the manner provided in this Section. There shall be no charge for any such transfer of the CBA Note, but the County or the Registrar may require the payment of a reasonable sum sufficient to pay any tax, fee or other

governmental charge (other than those of the County) required to be paid with respect to such transfer.

If the CBA Note is paid in full on or before the Maturity Date, it shall be delivered to the Registrar when such payment is made, and such CBA Note shall thereupon be promptly canceled. The CBA Note so canceled may at any time be destroyed by the Registrar, who shall execute a certificate of destruction in duplicate and one executed certificate shall be filed with the County, and the other executed certificate shall be retained by the Registrar. A copy of any certificate of destruction shall be provided to Owner upon request.

Section 5. CBA NOTE MUTILATED, DESTROYED, STOLEN OR LOST. In case the CBA Note shall become mutilated, destroyed, stolen or lost, the County may execute and the Registrar shall authenticate and deliver a new CBA Note of like date, Maturity Date and denomination as the CBA Note so mutilated, destroyed, stolen or lost; provided that, in the case of any mutilated CBA Note, such mutilated CBA Note shall first be surrendered to the County and, in the case of any lost, stolen or destroyed CBA Note, there shall first be furnished to the County and the Registrar evidence of such loss, theft, or destruction satisfactory to the County and the Registrar, together with indemnity satisfactory to them. In the event any such CBA Note shall be about to mature or have matured instead of issuing a duplicate CBA Note, the County may pay the same without surrender thereof. The County and the Registrar may charge the Owner of such CBA Note their reasonable fees and expenses incurred in connection with this transaction.

Any such duplicate CBA Note issued pursuant to this Section shall constitute additional contractual obligations on the part of the County, whether or not the lost, stolen or destroyed CBA Note be at any time found by anyone, and such duplicate CBA Note shall be entitled to

full benefits and rights as to lien on and source and security for payment from the Pledged Revenues. If any CBA Note that has been lost or stolen is found or recovered, such CBA Note shall be cancelled by the Registrar.

Section 6. FORM OF CBA NOTE. The CBA Note shall be typewritten on “safety” paper. The text of the CBA Note shall be of substantially the form attached as Exhibit “A” to the CBA Loan Agreement.

Section 7. NEGOTIATED SALE OF CBA NOTE; DELEGATION OF AUTHORITY. The Board hereby finds that, due to the volatile market conditions and in order to efficiently finance and refinance the CBA Projects, in whole or in part, it would be in the best interest of the County that the CBA Note be sold on a negotiated private placement basis. The County’s Financial Advisor shall file with the Clerk a written summary of the final details of the CBA Note. Such written summary shall be entered into Board records as an attachment to this Resolution. Notwithstanding anything in this Section 7 to the contrary, the County has the absolute right, in its sole discretion, to not execute the CBA Loan Agreement and issue the CBA Note and no contract between the County and the Lender, either expressed or implied, is intended before the CBA Loan Agreement and the CBA Note are executed.

Section 8. CBA LOAN AGREEMENT. The form, terms and provisions of the CBA Loan Agreement for the making of the CBA Loan consistent with the PNC Proposal and the provisions of this Resolution substantially in the form attached hereto as Exhibit “B” between the County and the Lender, as submitted to this meeting, is hereby approved and accepted. The Chairperson or any Vice Chairperson, in the absence of the Chairperson, are each hereby authorized and directed to execute and deliver the CBA Loan Agreement in the form submitted to this meeting, with such changes, insertions and deletions thereto as are necessary or desirable

for carrying out the purposes thereof as may be approved by the Chairperson or any Vice Chairperson, in the absence of the Chairperson, upon the advice of the County Attorney and Bond Counsel, the execution of said CBA Loan Agreement and delivery to the Lender being conclusive evidence of such approval.

ARTICLE III
COVENANTS, FUNDS AND APPLICATION THEREOF

Section 1. CBA NOTE NOT TO BE INDEBTEDNESS OF THE COUNTY. The CBA Note shall not be or constitute an indebtedness of the County within the meaning of any constitutional, statutory or other limitation or indebtedness, but shall be payable solely from a lien on and pledge of the Pledged Revenues. No Owner of the CBA Note issued hereunder shall ever have the right to compel the exercise of the ad valorem taxing power of the County, or taxation in any form on any real property therein to pay the CBA Note or the interest thereon.

It is further agreed between the County and the Owner of the CBA Notes that the CBA Note and the obligations evidenced thereby shall not constitute a lien upon any of the CBA Projects or on any other property of or in the County, but shall constitute a lien only on the Pledged Revenues pledged thereto, all in the manner provided in this Resolution.

Section 2. CBA NOTE SECURED BY LIEN ON AND PLEDGE OF THE PLEDGED REVENUES. The payment of the principal of and interest on the CBA Note issued hereunder shall be secured forthwith equally and ratably by a lien on and pledge of the Pledged Revenues in an amount sufficient to pay the principal of and interest on the CBA Note, herein authorized, and to make the required payments into the Debt Service Fund, hereinafter created, and all other payments provided for in this Resolution and the CBA Loan Agreement as the same become due and payable. No Non-Ad Valorem Revenues will be subject to a lien for the benefit of the Owner until they are deposited into the Debt Service Fund.

THE CBA NOTE DOES NOT CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS, OR A PLEDGE OF THE FAITH, CREDIT OR TAXING POWER, OF THE COUNTY OR OF THE STATE OF FLORIDA OR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, BUT IS A LIMITED, SPECIAL OBLIGATION OF THE COUNTY, THE PRINCIPAL OF AND INTEREST ON WHICH ARE PAYABLE FROM AND SECURED SOLELY BY THE PROCEEDS OF THE PLEDGED REVENUES. NEITHER THE COUNTY, THE STATE OF FLORIDA, NOR ANY AGENCY OR OTHER POLITICAL SUBDIVISION THEREOF WILL BE OBLIGATED (1) TO EXERCISE ITS AD VALOREM TAXING POWER OR ANY OTHER TAXING POWER IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE PRINCIPAL OF OR INTEREST ON THE CBA NOTE, OR OTHER COSTS INCIDENT THERETO, OR (2) TO PAY THE SAME FROM ANY FUNDS OF THE COUNTY EXCEPT FROM THE PROCEEDS OF THE PLEDGED REVENUES DESCRIBED HEREIN. THE CBA LOAN DOES NOT CONSTITUTE A LIEN UPON ANY OF THE CBA PROJECTS OR ANY OTHER PROPERTY OF OR IN THE COUNTY BUT CONSTITUTES A LIEN ONLY ON THE PROCEEDS OF THE PLEDGED REVENUES IN THE MANNER DESCRIBED HEREIN.

Section 3. APPLICATION OF CBA NOTE PROCEEDS. All moneys received by the County from the issuance of the CBA Note authorized and issued pursuant to this Resolution shall be disbursed in the following manner:

A. The net proceeds derived from the issuance of the CBA Note and any additional draw under the CBA Loan Agreement shall be deposited as received from time to time in a fund in a bank or trust company in the State which is eligible under State laws to receive

deposits of County funds, which fund is hereby created, established and designated as the “CBA Acquisition and Construction Fund” together with other moneys lawfully available therefor, if any. There is hereby created and established in the CBA Acquisition and Construction Fund a separate line item to be known as the “Cost of Issuance Cost Center,” into which shall be deposited on the date of initial issuance and delivery of the CBA Note an amount sufficient to pay the costs of issuance of the CBA Note, unless the County elects to pay all or a portion of the costs of issuance of the CBA Note from another source. No withdrawals shall be made from the CBA Acquisition and Construction Fund in an amount in excess of \$100,000 at any one time, except for amounts in the Cost of Issuance Cost Center without the written approval of the Clerk or her designee, and only upon receipt of a written requisition executed by the duly authorized official of the County responsible for the construction management of the CBA Projects, specifying the purpose for which such withdrawal is to be made and certifying that such purpose is one of the purposes provided for in Exhibit “A” attached hereto. If, for any reason, the moneys in the CBA Acquisition and Construction Fund, or any part thereof, are not necessary for, or are not applied to, the purposes of completion of the CBA Projects, as such CBA Projects may be changed by subsequent proceedings of the Board, then such surplus proceeds shall be deposited, upon certification of the Clerk, that such surplus proceeds are not needed for the purposes of the CBA Acquisition and Construction Fund, in the following order:

1. First, to the Debt Service Fund in the amounts determined by subsequent proceedings of the Board; and
2. Second, the balance, if any, to the County to be used for any lawful capital purpose.

The moneys deposited in the CBA Acquisition and Construction Fund may, pending their use for the purposes provided in this Resolution, be temporarily invested in Permitted Investments maturing not later than the dates on which such moneys will be needed for the purposes of the CBA Acquisition and Construction Fund. Subject to the provisions of the Code and the Tax Certificate, all the earnings and investment income from such investments shall remain in and become a part of said Construction Fund and be used for the purposes of the CBA Acquisition and Construction Fund.

Any moneys received by the County from the State or from the United States of America or any agencies thereof for the purpose of financing any part of the CBA Projects, may be deposited in the CBA Acquisition and Construction Fund and used in the same manner as the CBA Note proceeds are used therein; provided, however, that such moneys shall not be so deposited in the event and to the extent that the County has incurred debt or has effected an inter-fund loan in anticipation of the receipt of such moneys; and provided further, that separate accounts may be established in the CBA Acquisition and Construction Fund for moneys received pursuant to the provisions of this paragraph whenever required by federal or State regulations. Any moneys on deposit in the CBA Acquisition and Construction Fund are not Pledged Revenues.

Section 4. COVENANTS OF THE COUNTY. As long as the principal of or interest on the CBA Note shall be Outstanding and unpaid, the County covenants with the Owner of the CBA Note issued pursuant to this Resolution as follows:

A. Covenant to Budget and Appropriate. The County hereby covenants to appropriate in its annual budget, by amendment if required, in each Fiscal Year, Non-Ad Valorem Revenues sufficient to pay the principal of and interest on the CBA Note, as the same

become due and payable. Notwithstanding the foregoing, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues.

To the extent that the County is in compliance with the covenant contained above and the covenants set forth in Paragraph E of this Section 4, and has budgeted and appropriated in each Fiscal Year Non-Ad Valorem Revenues sufficient to pay the principal of and interest on the CBA Note as the same become due and payable, this Resolution and the obligations of the County contained herein shall not be construed as a limitation on the ability of the County to pledge or covenant to pledge its Non-Ad Valorem Revenues for other legally permissible purposes.

Upon deposit of Non-Ad Valorem Revenues appropriated in each Fiscal Year into the Debt Service Fund, such Non-Ad Valorem Revenues shall become Pledged Revenues, and the Owner of the CBA Note shall have a first lien on such Pledged Revenues until the principal of and interest on the CBA Note shall be paid or deemed paid within the meaning of this Resolution.

With respect to any additional debt of the County payable from a covenant to budget and appropriate Non-Ad Valorem Revenues, the County shall create a separate debt service fund, separate and apart from the Debt Service Fund, to pay debt service on such additional debt. The Owner of the CBA Note shall have no lien on the Non-Ad Valorem Revenues on deposit in such other debt service fund and the owners of such additional debt shall have no lien on the money on deposit in the Debt Service Fund.

B. Tax Covenant.

1. In order to maintain the exclusion of the interest on the CBA Note from gross income for federal income tax purposes pursuant to Section 103(a) of the Code, and for no other purpose, the County covenants to comply with each applicable requirement of the Code. In furtherance of the covenant contained in the preceding sentence, the County agrees to comply with the provisions of the Tax Certificate executed by the County on the date of initial issuance and delivery of the CBA Note.

2. The County covenants that the County shall make any and all payments required to be made to the United States Department of the Treasury in connection with the CBA Note pursuant to Section 148(f) of the Code from legally available funds of the County.

3. Notwithstanding any other provision of this Resolution to the contrary, as long as necessary in order to maintain the exclusion of the interest on the CBA Note from gross income for federal income tax purposes, the covenants contained in this Section shall survive the payment of the CBA Note and the interest thereon, including any payment or discharge thereof pursuant to Section 4.H. of this Article III.

C. Establishment of the Debt Service Fund. There is hereby created and established with the Clerk: a Debt Service Fund. The Debt Service Fund shall constitute a trust fund for the benefit of the Owner of the CBA Note until so applied in accordance with the terms hereof.

D. Disposition of Pledged Revenues. The Clerk shall deposit the Non-Ad Valorem Revenues budgeted and appropriated into the Debt Service Fund at such times (but in no case later than the Business Day next preceding an Interest Payment Date) and in such

amounts as shall be sufficient to make full and timely payments of interest on the CBA Note, as the same become due and payable on each Interest Payment Date that the CBA Note is Outstanding and unpaid. Principal on the CBA Note shall be payable on the Maturity Date or on any earlier date if the CBA Note is prepaid prior to the Maturity Date or on a quarterly basis if the Term-Out Option has been implemented. The Clerk may invest the moneys on deposit in the Debt Service Fund in Permitted Investments to mature not later than such times as shall be necessary to pay debt service on the CBA Note (whether on the Maturity Date, by prepayment, or otherwise).

E. Additional Debt of the County Payable from Non-Ad Valorem Revenues.

In each Fiscal Year, the County will not issue non-self-supporting revenue debt of the County payable from its Non-Ad Valorem Revenues unless: (i) the total outstanding maximum annual non-self-supporting revenue debt service, including the non-self supporting revenue debt service on the debt proposed to be issued including the CBA Note (assuming the entire amount of CBA Note Outstanding and available to be drawn is drawn on such date, amortized in equal annual installments over the Term-Out Period, with an assumed interest rate equal to 125% of the current rate of interest), does not exceed fifty percent (50%) of the gross Non-Ad Valorem Revenues (all legally available Non-Ad Valorem Revenues of the County from whatever source including investment income) of the County received by the County in the immediately preceding Fiscal Year; (ii) the gross Non-Ad Valorem Revenues for the preceding Fiscal Year were at least 4.00 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues including the CBA Note (assuming the entire amount of CBA Note outstanding and available to be drawn is drawn on such date, amortized in equal annual installments over the Term-Out Period, with an assumed interest rate equal to 125% of

the current rate of interest), including the debt proposed to be issued, in the current and all future Fiscal Years, and (iii) the net available Non-Ad Valorem Revenues of the County for the preceding Fiscal Year were at least 1.10 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues including the CBA Note (assuming the entire amount of CBA Note outstanding and available to be drawn is drawn on such date, amortized in equal annual installments over the Term-Out Period, with an assumed interest rate equal to 125% of the current rate of interest) including the debt proposed to be issued.

As used above, the term “non-self-supporting revenue debt” shall mean all revenue debt obligations in whatever form except such revenue debt obligations which are payable from a specific enterprise fund or are otherwise self-liquidating, and the term “net available Non-Ad Valorem Revenues” shall mean “gross Non-Ad Valorem Revenues,” as defined above, minus costs of operation and maintenance obligations of the County (except any such costs paid from ad valorem taxes) plus legally available unencumbered cash balances on hand at the end of the most recent Fiscal Year.

Except as provided above, for the purpose of calculating average annual debt service on any indebtedness which bears interest at a variable rate, such indebtedness shall be deemed to bear interest at the greater of (i) 1.25 times the most recently published Bond Buyer Revenue Bond 30-Year Index, or (ii) 1.25 times actual average interest rate during the prior Fiscal Year of the County. If such variable rate indebtedness is to be secured by the County’s covenant to budget and appropriate Non-Ad Valorem Revenues and in lieu of cash, any debt service reserve fund for such indebtedness is funded with a reserve surety or letter of credit, such indebtedness shall be deemed to bear interest at the maximum rate.

As used above, the term “maximum rate” means the maximum rate of interest such variable rate debt may bear at any particular time, which rate shall not exceed the rate of interest allowed under Florida law and will be determined by the County at the time such variable rate debt is issued.

The County covenants to comply with any other anti-dilution tests it is subject to in connection with the use of its Non-Ad Valorem Revenues.

The County hereby represents that it is in compliance with this Section 4.B.E. in connection with the issuance of the CBA Note assuming the issuance of a principal amount of \$40,000,000 was issued on the date hereof.

For purposes of this Section 4.B.E., the CBA Note is considered balloon debt, which means the principal of the CBA Note is not amortizing and is due and payable on the Maturity Date.

When calculating the maximum annual non-self-supporting revenue debt service with respect to non-self-supporting revenue debt or the average annual debt service with respect to debt payable from Non-Ad Valorem Revenues with respect to the CBA Note, it shall be assumed that the principal of the CBA Note or any other non-amortizing debt has a level 25-year principal amortization at the interest rates borne by the CBA Note or the interest rate or rates borne by such other non-amortizing debt.

F. Books and Records. The County will keep books and records of each Fiscal Year of the receipt of its Non-Ad Valorem Revenues in accordance with generally accepted accounting principles for government units, and the Owner of CBA Note issued pursuant to this Resolution shall have the right at all reasonable times to inspect the records, accounts and data of the County relating thereto.

The County covenants that within two hundred ten (210) days of the close of each Fiscal Year it will cause to be prepared and filed with the Clerk and mailed to the Owner a statement setting forth in respect of the preceding Fiscal Year:

1. the total amounts deposited to the credit of the Debt Service Fund created under the provisions of this Resolution;

2. the principal amount of the CBA Note paid; and

3. the amounts on deposit at the end of such Fiscal Year to the credit of the Debt Service Fund.

4. No Event of Default exists under the CBA Loan Agreement and no event has occurred that with the passage of time, the giving of notice or both, would constitute an Event of Default, or describing such Event of Default and the steps being taken to cure such Event of Default.

5. Except as set forth above, the County has performed all of its obligations under this Resolution and the CBA Loan Agreement, and all of the representations and warranties made by the County in this Resolution and the CBA Loan Agreement are true and correct as of the date hereof.

G. Remedies. In connection with the occurrence of any Event of Default described in the CBA Loan Agreement, the Owner the CBA Note or any trustee acting for such Owner in the manner hereinafter provided, may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution, the CBA

Loan Agreement or by any applicable statutes to be performed by the County or by any officer thereof.

The Owner of the CBA Note may by a duly executed certificate in writing appoint a trustee for the Owner of the CBA Note issued pursuant to this Resolution with authority to represent such Owner in any legal proceedings for the enforcement and protection of the rights of such Owner. Such certificate shall be executed by such Owner or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk.

Acceleration of the payment of principal of and interest on the CBA Note shall not be a remedy available to the Owner of the CBA Note, unless at any time the County grants an acceleration right in connection with any indebtedness payable from Non-Ad Valorem Revenues to any other owner of such indebtedness. If such acceleration right is granted to any other indebtedness payable from Non-Ad Valorem Revenues, the Owner shall have the same right of acceleration and the County agrees to execute such documents as are necessary to evidence such right. The County, however, agrees to pay interest on the CBA Note at the Default Rate established under the CBA Loan Agreement until such Event of Default shall have been cured.

ARTICLE IV **MISCELLANEOUS PROVISIONS**

Section 1. MODIFICATION OR AMENDMENT. No modification or amendment of this Resolution or of any resolution amendatory thereof or supplemental thereto or of the CBA Loan Agreement, may be made without the consent in writing of the Owner of the CBA Note.

Section 2. SEVERABILITY OF INVALID PROVISIONS. 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, and shall in no way affect the validity of any of the other provisions of the Resolution or of the CBA Note issued hereunder.

Section 3. FURTHER AUTHORIZATIONS. The Chairperson of the Board, the Vice Chairperson, the Clerk, the County Administrator, the Financial Management Department Director, and any other authorized official of the County, are hereby authorized and directed to execute and deliver any and all documents and instruments, including but not limited to entering into a paying agent and registrar agreement if so required and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

Section 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.



MANATEE COUNTY, a political subdivision of the State of Florida

By: its Board of County Commissioners

By: _____

Name: Vanessa Baugh

Title: Chairman

Date: June 8, 2021

ATTEST: ANGELINA COLONNESO
CLERK OF THE CIRCUIT
COURT AND COMPTROLLER

By: Debi Jessner

[Deputy] Clerk

EXHIBIT "A"

DESCRIPTION OF CBA PROJECTS

Projects related to transportation, public safety and park projects.

EXHIBIT A

MANATEE COUNTY
Capital Improvement Non-Revolving Line of Credit
Up to \$40,000,000
RFP Loan Results - 5/12/21

Facility Provider ---->	Bank of America	PNC	Regions	Wells Fargo
Contact	Holly Kuhlman; holly.kuhlman@bofa.com	Mike Oliff; michael.oliff@pnc.com	Karen Song; karen.song@regions.com	Linda Hallowell; linda.a.hallowell@wellsfargo.com
Term/Repayment	Option 1: 2 Years Option 2: 3 Years	Option 1: 2 Years Option 2: 3 Years	Option 1: 2 Years (Oct 1, 2023) Option 2: 3 Years (Oct 1, 2024)	3 years
Index Rate	SIFMA	1 Month LIBOR	30-Day LIBOR	1 Month LIBOR
Interest Rate for Draws	Option 1: 100% of SIFMA plus Applicable Margin Applicable Margin based on County ratings, currently at 0.36% Option 2: 100% of SIFMA plus Applicable Margin Applicable Margin based on County ratings, currently 0.39% for 3 year line	Option 1: 79% of 1M LIBOR + 0.21% Option 2: 79% of 1M LIBOR + 0.25%	Option 1: 79% of 30 Day LIBOR + 0.39% Option 2: 79% of 30 Day LIBOR + 0.47%	Option 1: 80% of 1M LIBOR + 0.28%; Pricing is subject to adjustment based on the County's ratings Option 2: 80% of 1M LIBOR + 0.29%; Pricing is subject to adjustment based on the County's ratings
Index Rate Replacement	NA	The documents will contain provisions to replace LIBOR with an alternate benchmark index	Included Preferred Index Replacement Language (Exhibit B); Lender will designate the replacement index	The documents will contain provisions to replace LIBOR with an alternate benchmark index
Interest Frequency	Monthly	Monthly	Semi-annually	Monthly
Draw Amounts	\$100K min and \$100K integral multiples	NA	\$100K min	\$100K min
Draw Frequency	4 draws per month	NA	1 draw per month	2 draws per month
Commitment/ Unused Fee	No commitment fee due if the following parameters are met: (1) \$3MM draw at closing; (2) Min of 25% (\$10MM) drawn by 10/1/21; (3) Min of 50% (\$20MM) drawn by 7/1/22; If those draw requirements are not met, the commitment fee is based on the County's ratings, currently at 0.20%	None	None	0.15%; Subject to adjustment based on County's ratings; If Event of Default, the unused fee will be based on an assumed rating of BBB- + 1%
Prepayment	Prepayable without penalty	Prepayable without penalty	Prepayable without penalty	Prepayable without penalty
Term Out Provisions	The line may be converted at election of the County into a term loan repayable in 5 equal semi-annual principal payments beg. 6 mos. from conversion date; Interest due monthly at the Bank Rate (Base Rate or Base Rate + 1% if over 90 days)	Option 1: 3 year term out; Option 2: 2 year term out; Principal due in equal quarterly installments; Interest due monthly at the Base Rate or Base Rate + 2% if over 90 days	Option 1 w/ 3-year term out 79% of 1M LIBOR + 0.55%, Principal payable annually, beg. Oct 1, 2023, Interest due semi-annually; Option 2 w/ 3-year term out at 79% of 1M LIBOR + 0.55%; , Principal payable annually, beg. Oct 1, 2024, Interest due semi-	NA
Extensions	County may request extension of the line; Bank will respond within 30 days	NA	NA	County may request extension of the line within 30 days of maturity
Bank Counsel Fee	\$8,000	\$16,500 (discounted to \$15K if awarded both lines of credit)	\$8,500	\$30,000 (discounted to \$50K NTE if awarded both lines of credit)
Amendment/Transfer/ Termination Fees	\$2,500 (amendment)	NA	NA	Termination/ reduction fee owed if line is terminated or reduced within first year; \$2,500 (amendment)

MANATEE COUNTY
Capital Improvement Non-Revolving Line of Credit
Up to \$40,000,000
RFP Loan Results - 5/12/21

Facility Provider --->	Bank of America	PNC	Regions	Wells Fargo
Taxability	Due to action or inaction of the County, if draws on the line become taxable, the rate will be adjusted to a taxable equivalent rate	Due to action or inaction of the County, if draws on the line become taxable, the rate will be adjusted to a taxable equivalent rate	If draws on the line become taxable, the rate will be adjusted to a taxable equivalent rate	Due to action or inaction of the County, if draws on the line become taxable, the rate will be adjusted to a taxable equivalent rate
Documentation	Credit Agreement (prepared by Bank Counsel)	Loan Agreement	Loan Agreement	Credit Agreement, Note, Resolution
Conditions Precedent; Representation and Warranties	Standard conditions; Standard reps and warranties	Standard conditions related to documentation, opinions and financial information; Request that future draws will not be considered new issuances for tax purposes. If so, no opinion required for future draws. If deemed new issuance, opinion required. Standard reps and warranties	Standard reps and warranties; Included calculation of anti-dilution test as condition to closing	Standard conditions and reps and warranties; Included calculation of anti-dilution test as condition to closing; County parity rating not less than Aa1/AA+ at closing
Covenants, Events of Default	Standard covenants; Request that more restrictive covenants in other existing or future credit facilities deemed incorporated in this Agreement; Standard events of default; Downgrade of parity of GO debt below BBB will be an event of default but not result in the application of the default rate; Request cross default	Standard covenants and events of default	Standard covenants and events of default	Standard covenants and events of default; Requirement to discuss anti-dilution test calculation frequency (at closing vs at each draw); Bank shall receive benefit of all existing and subsequent covenants, defaults and remedies of future lenders
Default Rate	Base Rate + 4.00%; Base Rate is the greatest of (i) BOA Prime Rate + 1%; (ii) Fed Funds Rate + 2%, (iii) 7%	Base Rate + 3.00%; Base Rate is the greatest of (i) PNC Prime Rate ; (ii) Overnight Bank Funding Rate + 0.5%, (iii) 7%	Rate on line + 6%	Base Rate + 3.00%; Base Rate is the greatest of (i) Bank Prime Rate + 1%; (ii) Fed Funds Rate + 2%, (iii) 7%
Assignment/Transfers	NA	Bank reserves the right to sell participations or assignments	Bank reserves the right to transfer or assign at its discretion	Bank reserves the right to transfer or assign at its discretion
Indemnification	NA	Customary except where Bank is proven to be guilty of gross negligence or willful misconduct	NA	Customary except where Bank is proven to be guilty of gross negligence or willful misconduct
Reporting Requirements	Audit within 270 days after the close of the FY	Audit within 210 days after the close of the FY; Covenant Compliance and no Event of Default with audit	Audit within 270 days after the close of the FY; Annual budget within 30 days of adoption; Updated CIPs	Audit within 180 days after the close of the FY -including anti-dilution test; Annual budget within 60 days of adoption
Timing/Expiration	5 business days for credit approval; Term sheet expires June 11, 2021	Term sheet expires June 16, 2021	Term sheet expires June 11, 2021	15 business days for credit approval; Term sheet expires 15 days from 5/12/21

EXHIBIT "B"

FORM OF CBA LOAN AGREEMENT

57573720v9/016705.015600

CBA LOAN AGREEMENT

This **CBA LOAN AGREEMENT**, is dated as of June 1, 2021 (this “Agreement”), by and between **MANATEE COUNTY**, a political subdivision of the State of Florida created and established pursuant to the laws of Florida (the “County”), and **PNC BANK, NATIONAL ASSOCIATION**, a national banking association, together with its successors and assigns (the “Lender”). Notwithstanding that the date of this Agreement is as of June 1, 2021, this Agreement will not become effective until fully executed by the parties hereto.

WHEREAS, the Lender has offered to make a loan (the “CBA Loan”), pursuant to the terms and provisions of this Agreement to the County, in the principal amount of not exceeding \$40,000,000 pursuant to which the County will finance certain CBA Projects, as such term is defined in the herein referred to Resolution; and

WHEREAS, the County, on June 8, 2021, adopted Resolution No. 21-099 (the “CBA Resolution”) authorizing the issuance of not exceeding \$40,000,000, in aggregate principal amount of Manatee County, Florida Revenue Improvement Note, Series 2021 (the “CBA Note”) which CBA Note shall be issued to the Lender as one registered certificate and shall represent the County’s obligation to repay the CBA Loan made under this Agreement; and

WHEREAS, the County and the Lender find it necessary to enter into this Agreement to acknowledge the terms and provisions of the Resolution adopted by the County and the terms pursuant to which the Lender shall make the CBA Loan.

NOW THEREFORE, the County and the Lender hereby agree as follows:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Resolution and in the definitions set forth in Exhibit “C” attached hereto. In addition, the following terms as used in this Agreement shall have the following meanings:

“Advance” or “Advanced” shall have the meaning set forth in Section 4 hereof.

“Applicable Margin” shall mean 21 basis points.

“Base Rate” shall mean the greatest of the (i) Prime Rate, (ii) the Overnight Bank Funding Rate plus 0.5, and (iii) 7.00%.

“Closing” shall have the meaning set forth in Section 7 hereof.

“Default Rate” shall mean the Base Rate plus 3.00%.

“Determination of Taxability” means the circumstance of the interest on the CBA Note becoming includable for federal income tax purposes in the gross income of the Lender as a result of specific action or inaction taken by the County. A Determination of Taxability will be deemed to have occurred upon (i) the receipt by the County or the Lender of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency; (ii) the issuance of any public or private ruling of the Internal Revenue Service; or

(iii) receipt by the County or the Lender of an opinion of counsel experienced in tax matters relating to municipal bonds, in each case to the effect that the interest on the CBA Note is not excludable from gross income of the Lender for federal income tax purposes, but in each case only after the County shall have been afforded a reasonable opportunity to contest the same.

“Event of Default” shall have the meaning set forth in Section 9 hereof.

“Interest Payment Date” shall mean each Reset Date and the Maturity Date and any date the principal amount Outstanding is repaid in whole or in part prior to the Maturity Date.

“Initial Rate” shall be the Interest Rate on the CBA Note determined on or before the date of issuance of the CBA Note.

“Interest Payment Date” shall mean each Reset Date. The Maturity Date and any date principal is repaid prior to the Maturity Date.

“Interest Rate” means the rate per annum effective on any day which is equal to the sum of (i) the Applicable Margin plus (ii) 79% of rate for One Month LIBOR Rate, subject to adjustment as provided in Exhibit “C” attached hereto. If the Term Out Option is elected by the County, the Interest Rate shall be equal to the Base Rate for the first ninety (90) days and thereafter shall be the Base Rate plus 2.00%. Upon an Event of Default, the Interest Rate shall be the Default Rate until such Event of Default has been cured and upon a Determination of Taxability, the Interest Rate shall be the Taxable Rate. In all cases, interest will be calculated on the daily Outstanding amount of the CBA Note based on a 360-day year for the actual number of the days elapsed and will be payable in arrears.

“LIBOR” shall mean the London Interbank Offered Rate.

“LIBOR Reserve Percentage” shall mean, as of any day, the maximum effective percentage in effect on such day, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including, without limitation, supplemental, marginal and emergency reserve requirements) with respect to eurocurrency funding (currently referred to as “Eurocurrency liabilities”).

“One Month LIBOR” means the Initial Rate and for each Reset Date, the interest rate per annum determined by the Lender by dividing (i) the rate which appears on the Bloomberg Page BBAM1 (or on such other substitute Bloomberg page that displays rates at which US dollar deposits are offered by leading banks in the London interbank deposit market), or the rate which is quoted by another source selected by the Lender as an authorized information vendor for the purpose of displaying rates at which US dollar deposits are offered by leading banks in the London interbank deposit market (an “Alternate Source”), at approximately 11:00 a.m., London time, two (2) Business Days prior to such Reset Date, as the 1-month London interbank offered rate for U.S. Dollars commencing on such Reset Date (or if there shall at any time, for any reason, no longer exist a Bloomberg Page BBAM1 (or any substitute page) or any Alternate Source, a comparable replacement rate determined by the Lender at such time (which determination shall be conclusive absent manifest error)), by (ii) a number equal to 1.00 minus the LIBOR Reserve Percentage; provided, however, if LIBOR, determined as provided above, would be less than zero, then LIBOR shall be deemed to be zero%. LIBOR shall be adjusted

automatically without notice to the County on and as of (a) each Reset Date, and (b) the effective date of any change in the LIBOR Reserve Percentage.

“Overnight Bank Funding Rate” shall mean, for any day, the rate comprised of both overnight federal funds and overnight Eurocurrency borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the Federal Reserve Bank of New York (“NYFRB”), as set forth on its public website from time to time, and as published on the next succeeding Business Day as the overnight bank funding rate by the NYFRB (or by such other recognized electronic source (such as Bloomberg) selected by the Lender for the purpose of displaying such rate); provided, that if such day is not a Business Day, the Overnight Bank Funding Rate for such day shall be such rate on the immediately preceding Business Day; provided, further, that if such rate shall at any time, for any reason, no longer exist, a comparable replacement rate determined by the Lender at such time (which determination shall be conclusive absent manifest error). If the Overnight Bank Funding Rate determined as above would be less than zero, then such rate shall be deemed to be zero. The rate of interest charged shall be adjusted as of each Business Day based on changes in the Overnight Bank Funding Rate without notice to the County.

“Prime Rate” shall mean the rate publicly announced by the Lender from time to time as its prime rate. The Prime Rate is determined from time to time by the Lender as a means of pricing some loans to its borrowers. The Prime Rate is not tied to any external rate of interest or index, and does not necessarily reflect the lowest rate of interest actually charged by the Lender to any particular class or category of customers.

“Reset Date” means the first day of every month commencing the first day of the month after the issuance of the CBA Note, provided that if any such day is not a Business Day, then the first succeeding day that is a Business Day shall instead apply.

“Taxable Rate” shall mean the interest rate per annum that would be in effect upon a Determination of Taxability determined pursuant to Section 5 hereof.

“Term Out Option” shall mean at the County’s option, provided no Event of Default has occurred and is continuing and the representations and warranties of the County made herein and in the Resolution remain true and correct, to convert all outstanding Advances to an amortizing loan amortizing over 12 quarterly payments with the last payment due on the Maturity Date. If the Term Out Option is elected, principal will be payable on a quarterly basis and interest will be payable monthly in arrears.

2. **CBA Loan**. Subject to the terms and conditions of this Agreement, and in reliance on the representations, warranties and agreements of the County herein and in the Resolution, the Lender shall make the CBA Loan to the County as set forth below.

3. **CBA Note**. At the time of making the CBA Loan the County will execute and deliver to the Lender the CBA Note.

At the time of any Advance made under the CBA Note or under this Agreement, the County shall immediately become indebted to the Lender for the full amount of such Advance. The then outstanding principal balance of the CBA Loan, accrued but unpaid interest thereon and

all other charges due pursuant to the terms hereof shall be due and payable as set forth in the CBA Note.

4. **Advances.** Subject to the terms and conditions hereof and as set forth in the CBA Note, the Lender will lend the County, from time to time until the earlier of (i) the occurrence of an Event of Default or a default that with the passage of time or giving of notice, or both, would be an Event of Default, or (ii) the initial Maturity Date (the “Final Advance Date”), such sums as the County may request by reasonable notice to the Lender (an “Advance”), but which shall not exceed in the aggregate \$40,000,000. The County may borrow under this Agreement and repay Advances without penalty or premium, from the date of this Agreement until the earlier of (i) the occurrence of an Event of Default, or (ii) the Maturity Date. The County may not reborrow amounts repaid hereunder. It is the intention of the parties that the outstanding principal amount of the CBA Note shall at no time in the aggregate exceed \$40,000,000, and if, at any time, the outstanding principal amount of the CBA Note shall exceed such amount, the full amount of such excess shall be immediately due and payable in full. All indebtedness evidenced by the CBA Note shall be due and payable on the Maturity Date. Each Advance (a) shall be a minimum of \$100,000 and only one (1) Advance per month is permitted unless such restriction is waived by the Lender in its sole discretion, (b) must be requested by the County in writing in a requisition substantially in the form attached as Exhibit “E” hereto, executed by a duly authorized officer of the County and delivered to the Lender three (3) Business Days prior to the date of the Advance (herein, the “Requisition”), (c) must state that the County remains in full compliance with the terms of this Agreement, that no Event of Default thereunder currently exists and that no Event of Default thereunder would exist with the passage of time or the giving of notice, and (d) must be for costs of the CBA Projects. Requests for an Advance received after 11:00 a.m. Pittsburgh, Pennsylvania time will be treated as having been received on the next Business Day. The County authorizes the Lender to accept telephonic, email, automated and electronic requests for Advances, and the Lender shall be entitled to rely upon the authority of any person providing such instructions. If permitted by the Lender, a request for Advance may be made by telephone or electronic mail, or delivered in accordance with the Lender’s security procedures through any automated platform or electronic service provided by the Lender, with such confirmation or verification (if any) as the Lender may require in its discretion from time to time. The Lender will enter on its books and records, which entry when made will be presumed correct, the date and amount of each Advance, as well as the date and amount of each payment made by the County. At the time of each Advance, Bond Counsel will confirm that its Bond Counsel Opinion referred to in Section 7(a)(iii) remains in full force and effect and shall be deemed to take into account the Advance described in the Requisition.

The Advances made by the Lender under the CBA Note shall be recorded on the books of the Lender or by such other means in which a record of all Advances under the CBA Note will be kept, indicating the date each Advance was extended, the amount of the Advance, each payment of principal of any such Advance, and such other information as the Lender may determine, such records to be conclusive, absent manifest error. The entries in such account or evidenced by such other means (including any appearing on or attached to the CBA Note) shall be conclusive evidence of amounts outstanding absent manifest error. Any failure of the Lender to make appropriate entries or any error in making such entries shall not affect or impair the validity of the CBA Note or affect or impair the obligation of County to repay the Advances made by Lender in accordance with the terms of this Agreement and the CBA Note.

Subject to the further provisions hereof, the Lender will fund Advances into an account of the County maintained pursuant to the terms of the Resolution.

It is the present intention that the County will request Advances consistent with the draw schedule attached to the RFP as Appendix B thereto but reserves the right, in its sole discretion, to request Advances in an amount which is greater or less than the amounts set forth in such draw schedule.

5. **Interest and Fees.** Interest on the outstanding principal balance of the CBA Loan from time to time outstanding shall accrue at the rate or rates and be payable as set forth in the CBA Note. Immediately upon a Determination of Taxability, the interest rate in effect on the CBA Note from and after the Determination of Taxability shall be the Taxable Rate, which shall be determined in the manner described in the next succeeding paragraph, and upon the occurrence of an Event of Default and unless or until such Event of Default is cured, the County shall pay interest on the principal amount of the CBA Note at the Default Rate, to the fullest extent permitted by law.

Upon the occurrence of a Determination of Taxability, the interested rate on the CBA Note shall be adjusted to a rate equal to the interest rate otherwise borne by the CBA Note thereby divided by (1 minus the then maximum federal corporate income tax rate applicable to the Lender) (the "Taxable Rate") calculated on the basis of a 360-day year for the actual number of days elapsed, as of and from the date that interest on the CBA Note is deemed to be included in the gross income of the owner thereof for federal income tax purposes as a result of a Determination of Taxability (the "Accrual Date"); and (i) the County shall on the next Interest Payment Date (or if the CBA Note shall have matured, within thirty (30) days after demand by the Lender) hereon pay to the Lender an amount equal to the sum of (1) the difference between (A) the total interest that would have accrued on the CBA Note at the Taxable Rate from the Accrual Date to such Interest Payment Date (or payment date following such demand), and (B) the actual interest paid by the County on the CBA Note from the Accrual Date to such Interest Payment Date (or payment date following such demand), and (2) any interest and penalties required to be paid as a result of any federal income taxes imposed upon the Lender arising as a result of such Determination of Taxability; and (ii) from and after the date of Determination of Taxability, the CBA Note shall continue to bear interest at the Taxable Rate for the period such determination continues to be applicable with respect to the CBA Note. The adjustment shall survive payment of the CBA Note until such time as the federal statute of limitations under which the interest on the CBA Note could be declared taxable under the Code shall have expired.

The Lender shall advise the County in writing within a reasonable time in good faith what amounts, if any, are owing as a result of a Determination of Taxability, as described herein. In no event, however, shall the interest rate on the CBA Note exceed the maximum rate permitted by law.

6. **Right to Optionally Prepay the CBA Note in Whole or in Part.** Upon at least five (5) Business Days prior written notice from the County to the Lender the CBA Note shall be subject to prepayment on any Business Day at the option of the County in whole or in part at a price equal to the principal amount thereof to be prepaid, plus accrued interest to the date fixed for prepayment, without penalty.

7. **Conditions Precedent.** The obligation of the Lender to make the CBA Loan is subject to the following conditions precedent:

a. The County shall have delivered to the Lender, prior to the initial disbursement of the CBA Loan (the “Closing”), the following:

- i. The duly executed CBA Note;
- ii. A certified copy of the duly executed Resolution;
- iii. A Bond Counsel Opinion in form acceptable to the County, the Lender and their respective counsel;
- iv. An Opinion of the County Attorney in form acceptable to Bond Counsel, the Lender and its counsel;
- v. The duly executed Tax Certificate;
- vi. A completed IRS Form 8038-G with respect to the CBA Note; and
- vii. Such other certificates and documents as Bond Counsel, the Lender and its counsel may otherwise require.

b. At the time of, and as a condition to, the Closing and each disbursement of any part of the CBA Loan to be made by the Lender at or subsequent to the Closing:

- i. No Event of Default shall have occurred that has not been waived, and no event shall have occurred and be continuing that, with the giving of notice or passage of time or both, would be an Event of Default;
- ii. This Agreement, the Resolution and the CBA Note shall have remained in full force and effect; and
- iii. As part of the County’s request for an Advance, it shall submit an executed copy of the Requisition in substantially the form attached hereto as Exhibit “E” and Compliance Certificate in the form attached hereto as Exhibit “D.”

8. **Representations and Covenants of the County.** The County represents, covenants and warrants for the benefit of Lender on the date hereof:

a. The County is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, including the Act, with full power and authority to adopt the Resolution and to enter into this Agreement and the transactions contemplated thereby and hereby and to perform all of its obligations thereunder and hereunder.

b. The County has duly authorized the execution and delivery of this Agreement by proper action of its Board at a meeting duly called, regularly convened and

attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement.

c. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default (as defined in Section 9 below) exists as of the date hereof.

d. The County has complied with any public bidding requirements as may be applicable to this Agreement and the CBA Loan.

e. The County shall keep its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lender (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within 210 days of its Fiscal Year end, (ii) such other financial statements and information relating to the ability of the County to satisfy its obligations hereunder, as Lender may reasonably request, (iii) upon Lender's request, its annual budget for any prior or current Fiscal Year or the following Fiscal Year within ten (10) days of approval, and (iv) such other financial information reasonably requested by the Lender. The financial statements described in clause (i) of this subsection (e) shall be accompanied by an unqualified opinion of the County's auditor and a covenant compliance certificate and no event of default certification signed by the Chairperson of the Board of County Commissioners or the Clerk of County.

f. The payment of the CBA Loan and the CBA Note or any portion thereof is not directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or (y) on a present value basis, derived from payments (whether or not to County) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. The County shall not permit the federal government to guarantee any CBA Note payments. No part of the CBA Projects will be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the CBA Loan will be used, directly or indirectly, to make or finance loans to any person other than County. The County has not entered into any management or other service contract with respect to the use and operation of the CBA Projects, other than as described in the Tax Certificate.

g. There is no pending or threatened litigation, tax claim, proceeding or dispute that may adversely affect the County's financial condition or impairs its ability to perform its obligations under this Agreement or the Resolution, including but not limited to, any applicable pension plan default. The County will, at its expense, maintain its legal existence in good standing and do any further act and execute, acknowledge, deliver, file, register and record any further documents the Lender may reasonably request in order to protect the Lender's rights and benefits under this Agreement and the Resolution.

h. No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which the County has been a party at any time has been terminated by the County as a result of insufficient funds being appropriated in any Fiscal Year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which the County has issued during the past ten (10) years.

i. The financial information regarding the County furnished to the Lender by the County in connection with this Agreement is complete and accurate, and there has been no material and adverse change in the financial condition of the County since the Fiscal Year ended September 30, 2020.

j. The County covenants to comply with all anti-dilution tests it is subject to in connection with the use of its Non-Ad Valorem Revenues.

k. The County covenants to comply with all representations, covenants, and assurances contained in the Tax Certificate, which Tax Certificate shall constitute a part of the contract between the County and the Registered Owner of the CBA Note.

9. **Events of Default Defined.** Any of the following events shall constitute an “Event of Default” under this Agreement:

a. Failure by County to pay (i) principal or interest on the CBA Note when due or (ii) any other payment required to be paid under the Resolution within 10 days after the date when due as specified in the CBA Note. Any payment that is not received within ten (10) days of its due date may be subject to a 3.00% late payment fee;

b. Failure by County to observe and perform any other covenant, condition or agreement contained in this Agreement or the Resolution on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days from the earlier of (a) after written notice specifying such failure and requesting that it be remedied is given to the County by the Lender, or (b) when the County was required to provide notice to the Lender of such event in accordance with Section 12 hereof, unless the Lender shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lender will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the County within the applicable period and diligently pursued until the default is corrected;

c. Any statement, representation or warranty made by the County in or pursuant to the Resolution or in this Agreement or its execution, delivery or performance shall prove to have been false, incorrect, misleading, or breached in any material respect on the date when made;

d. The occurrence of any default under any other agreement for borrowed money, lease financing of property or other receipt or pledge of credit under which the County is an obligor, if such default is a monetary default and (i) arises under any other agreement for borrowed money, lease financing of property or provision of credit provided by the Lender or any affiliate of the Lender, or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregated amount in excess of \$250,000.00;

e. The County shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of the County, or of all or a substantial part of the assets of the County, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against the County in any bankruptcy, reorganization, moratorium or insolvency proceeding;

f. An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for the County or of all or a substantial part of the assets of the County, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days; or

g. The long term credit rating assigned to any debt of the County payable from a covenant to budget and appropriate Non-Ad Valorem Revenues without regard to any liquidity support or credit enhancement is below Baa3/BBB- of a nationally recognized rating agency.

h. The repudiation of this Agreement or any other documents now or in the future evidencing or securing the obligations of the County to the Owner or any material provision thereof.

10. **Remedies.** Whenever any Event of Default exists, the CBA Note shall bear interest at the Default Rate. Acceleration of the CBA Loan shall not be a remedy available to the Lender, except as provided in the Resolution. The Lender shall have the rights set forth in the Resolution upon the occurrence of an Event of Default.

11. **Section 218.385 Florida Statutes.** Simultaneously with the execution and delivery of this Agreement, the Lender has provided the County with the disclosure and truth-in-bonding statements required by and in accordance with, Section 218.385, Florida Statutes, as amended and supplemented. The above-referenced statements are attached to this Agreement as Exhibit "B."

12. **Notice of Defaults.** The County covenants and agrees to notify the Lender upon the happening, occurrence, or existence of any Event of Default and any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default it becomes aware of within five (5) Business Days of becoming aware of such Event of Default or condition.

13. **Acceptance of Terms.** That the Lender hereby accepts the terms and conditions set forth in the Resolution applicable to the CBA Loan.

14. **Expenses.** As between the County and the Lender, the Lender shall not be liable for any expenses incurred by the County in connection with the issuance of the CBA Note and the transactions contemplated herein. The Lender represents to the County that it has not

employed or used the services of any attorney or other professional in connection with the Lender's negotiations with the County and its purchase of the CBA Note other than the fee payable to Lender's special counsel, which fee, in the amount of \$15,000 shall be paid by the County.

15. **Waiver of Jury Trial.** The County and the Lender, for mutual consideration, the receipt of which is hereby acknowledged, mutually and willingly waive the right to a trial by a jury in connection with any and all claims by any party hereto against the other arising from or in connection with the transactions contemplated by this Agreement and the Resolution.

16. **Indemnification.** To the extent permitted by applicable law, the County will indemnify and hold harmless the Lender and its representatives, officers, employees, agents, and advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the CBA Projects, the use of the proceeds of the CBA Note including, but not limited to, reasonable attorneys' fees, including on appeal and including those allocated costs of internal counsel and settlement costs. This indemnification shall survive and continue for the benefit of such persons or entities until all applicable statutes of limitation have expired.

17. **Patriot Act Notice.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Lender will ask for documentation to verify such non-individual person's formation and existence as a legal entity.

18. **No Advisory or Fiduciary Role of Lender.** The County acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the County and the Lender in which the Lender is acting solely as a principal and for its own interest; (ii) the Lender is not acting as a municipal advisor or financial advisor to the County; (iii) the Lender has no fiduciary duty to the County pursuant to Section 15B of the Securities Exchange Act of 1934 with respect to the transaction contemplated hereby (irrespective of whether the Lender has provided other services or is currently providing other services to the County on other matters); and (iv) the only obligations of the Lender are set forth in this Agreement.

19. **Amendment.** No modification, alteration or amendment to this Agreement shall be binding upon any party until such modification, alternation or amendment is reduced to writing and executed by all parties hereto.

20. **Governing Law.** The laws of the State of Florida shall govern this Agreement.

21. **Notices.**

a. Any notice given to the Lender shall be given to the Lender at the following address, which shall constitute the Payment Office of the Lender:

PNC Bank, National Association
c/o The PNC Financial Services Group
201 North Franklin Street, Suite 1500
Tampa, FL 33602
Attn: J. Michael Oliff, Senior Vice President

b. Any notice given to the County shall be given to the County at:

Manatee County, Florida
1112 Manatee Avenue West, Suite 939
Bradenton, Florida 34205
Attention: Director of Financial Management

22. **Counterparts.** This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were signatories upon the same instrument.

**PNC BANK, NATIONAL
ASSOCIATION**

By: _____
Name: _____
Title: _____

Date: June __, 2021

MANATEE COUNTY, a political
subdivision of the State of Florida

By: its Board of County Commissioners

By: _____
Name: _____
Title: _____

Date: June __, 2021

ATTEST: ANGELINA COLONNESO
CLERK OF THE CIRCUIT COURT
AND COMPTROLLER

By: _____
[Deputy] Clerk

EXHIBIT "A"

Form of CBA Note

THIS CBA NOTE DOES NOT CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS, OR A PLEDGE OF THE FAITH, CREDIT OR TAXING POWER, OF THE COUNTY OR OF THE STATE OF FLORIDA OR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, BUT IS A LIMITED, SPECIAL OBLIGATION OF THE COUNTY, THE PRINCIPAL OF AND INTEREST ON WHICH ARE PAYABLE FROM AND SECURED SOLELY BY THE PROCEEDS OF THE PLEDGED REVENUES. NEITHER THE COUNTY, THE STATE OF FLORIDA, NOR ANY AGENCY OR OTHER POLITICAL SUBDIVISION THEREOF WILL BE OBLIGATED (1) TO EXERCISE ITS AD VALOREM TAXING POWER OR ANY OTHER TAXING POWER IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE PRINCIPAL OF OR INTEREST ON THIS CBA NOTE, OR OTHER COSTS INCIDENT THERETO, OR (2) TO PAY THE SAME FROM ANY FUNDS OF THE COUNTY EXCEPT FROM THE PROCEEDS OF THE PLEDGED REVENUES DESCRIBED HEREIN. THE CBA LOAN DOES NOT CONSTITUTE A LIEN UPON ANY OF THE PROJECTS OR ANY OTHER PROPERTY OF OR IN THE COUNTY BUT CONSTITUTES A LIEN ONLY ON THE PROCEEDS OF THE PLEDGED REVENUES IN THE MANNER DESCRIBED HEREIN. THIS CBA NOTE IS SUBJECT TO TRANSFER RESTRICTIONS AS PROVIDED IN THE HEREIN DEFINED RESOLUTION.

No. R-1

\$40,000,000 (not to exceed)

**UNITED STATES OF AMERICA
STATE OF FLORIDA
MANATEE COUNTY
REVENUE IMPROVEMENT NOTE
SERIES 2021**

DATED DATE: June __, 2021

PRINCIPAL AMOUNT: \$40,000,000 (not to exceed)

INTEREST PAYMENT DATES: Each Reset Date, commencing on July 1, 2021.

MATURITY DATE: The later of (a) June __, 2023 and (b) if the Term Out Option is elected by the County, and the conditions precedent for such election are satisfied the third anniversary after June __, 2023.

REGISTERED OWNER: PNC Bank, National Association

KNOW ALL MEN BY THESE PRESENTS, that Manatee County, Florida, a political subdivision of the State of Florida (the "County"), for value received, hereby promises to pay, from the Pledged Revenues, hereinafter mentioned, to the Registered Owner or registered assigns

on the Maturity Date specified above, upon the presentation and surrender hereof at the office of the County Clerk, as paying agent (said office of the Clerk and any bank or trust company becoming successor paying agent being herein called the "Paying Agent"), the Principal Amount Outstanding from time to time with interest thereon at a floating rate of interest equal to the Interest Rate per annum set forth in the Agreement (defined below) in effect on each Reset Date (as defined in the Agreement), subject to adjustment as set forth in the Resolution and in the LIBOR Replacement Rider attached as Exhibit "C" to the hereinafter described Resolution, payable with respect to interest, on each Interest Payment Date (as defined in the Agreement), commencing on July 1, 2021, until the County's obligation with respect to the payment of such principal sum shall be discharged. Any capitalized term used in this Note not otherwise defined shall have the meaning ascribed to such term in the Agreement or the herein defined Resolution.

The County may borrow up to an amount equal to \$40,000,000 pursuant to the terms of the Agreement, from the date hereof until (i) the occurrence of an Event of Default under the Agreement, or (ii) the Maturity Date, whichever occurs first. The County may not reborrow amounts repaid hereunder. It is the intention of the County and initial registered owner that the outstanding principal amount of the Note shall at no time in the aggregate exceed \$40,000,000, and if, at any time, the outstanding principal amount of the Note shall exceed such amount, the full amount of such excess shall be immediately due and payable in full.

Interest on this Note is payable by check or draft of the Paying Agent made payable to the registered owner and mailed to the address of the registered owner as such name and address shall appear on the registration books of the office of the County Clerk, as registrar (said office of the Clerk and any bank or trust company becoming successor registrar, being herein called the "Registrar"), on the Business Day preceding each Interest Payment Date (the "Record Date"); provided, however, that payment of interest on this Note may, at the option of any Holder of this Note, be transmitted by wire transfer to the Holder to the domestic bank account number on file with the Paying Agent as of the Record Date. The County acknowledges the payment by wire transfer to PNC Bank, N.A. while the Holder of this Note. Such interest shall be payable from the most recent Interest Payment Date next preceding the date of authentication to which interest has been paid, unless the date hereof is an Interest Payment Date to which interest has been paid, in which case from the date of authentication, or unless the date hereof is prior to July 1, 2021, in which case from the Dated Date stated above, or unless the date hereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date; provided, however, that if and to the extent there is a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the persons in whose name this Note is registered on the registration books of the County maintained by the Registrar at the close of business on the Business Day prior to a subsequent Interest Payment Date established by notice mailed by the Registrar to the registered owner not less than the tenth day preceding such subsequent Interest Payment Date. The Principal Amount and accrued interest thereon are payable in any coin or currency of the United States of America, which, on the date of payment thereof, shall be legal tender for the payment of public and private debts. Interest on this Note shall be computed on the basis of actual days elapsed in a year of 360 days and shall be due and payable monthly in arrears.

Notwithstanding anything to the contrary set forth herein, payment shall be effected by payment to the Lender of the principal and interest then due without surrender of the Note;

including any prepayments, such payment to be evidenced by the records of the County and the Lender and such records shall be conclusive and binding upon the County and the Lender absent manifest error.

This Note shall not be valid or obligatory for any purpose until the certificate of authentication set forth hereon shall have been duly executed by the Registrar.

This Note is an authorized issue of Note of the County designated as its Revenue Improvement Note, Series 2021 (herein called the “Note”), in the aggregate principal amount set forth on the face of the Note of like date, tender, and effect, except as to number, date of maturity and interest rate, issued for the purpose of financing all or a portion of the CBA Projects, under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly, Part I of Chapter 125, Florida Statutes, as amended and supplemented, and other applicable provisions of law, and a resolution duly adopted by the Board of County Commissioners of said County on June 8, 2021, as amended and supplemented from time to time (herein referred to as the “Resolution”), and is subject to all the terms and conditions of the Resolution and the Agreement, entered into between the County and the Lender, dated as of June 1, 2021 (as the same may be amended or supplemented from time to time as therein permitted, the “Loan Agreement”).

This Note is payable from and secured by a lien upon and pledge of the Pledged Revenues, all in the manner provided in the Resolution.

“Pledged Revenues” shall mean (a) the Non-Ad Valorem Revenues deposited in the Debt Service Fund created and established under the Resolution, (b) investment income received from the investment of moneys in the Debt Service Fund and accounts established thereunder, and (c) any other moneys deposited in the Debt Service Fund or received by the Paying Agent in connection with the repayment of the Note.

“Non-Ad Valorem Revenues” shall mean all revenues of the County derived from any source whatever other than ad valorem taxation on real and personal property, which are legally available for payment of debt service by the County.

Until the Note is paid, the County has covenanted to appropriate in its annual budget, by amendment if required, in each Fiscal Year, Non-Ad Valorem Revenues sufficient to pay the principal of and interest on the Note, as the same become due and payable. Notwithstanding the foregoing covenant of the County, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues.

To the extent that the County is in compliance with the covenants contained in the Resolution, and has budgeted and appropriated in each Fiscal Year, Non-Ad Valorem Revenues sufficient to pay the principal of and interest on the Note as the same become due and payable, the Resolution and the obligations of the County contained therein shall not be a limitation on the ability of the County to pledge or covenant to pledge its Non-Ad Valorem Revenues for other legally permissible purposes.

The full faith and credit of the County is not pledged for the payment of this Note, and this Note does not constitute an indebtedness of the County within the meaning of any Constitutional, statutory or other provision or limitation; and it is expressly agreed by the Owner of this Note that such Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the County for the payment of the principal of and interest on this Note.

It is further agreed between the County and the Owner of this Note that this Note and the obligation evidenced thereby shall not constitute a lien upon any property or in the County, but shall constitute a lien only on the Pledged Revenues pledged thereto, all in the manner provided in the Resolution. The original registered owner, and each successive registered owner of this Note shall be conclusively deemed to have agreed and consented to the following terms and conditions:

(1) The Registrar shall maintain the books of the County for the registration of the Note and for the registration of transfers of the Note as provided in the Resolution. Subject to the limitations on transferability of the Note set forth in the Resolution, the Note shall be transferable by the registered Owner thereof in person or by his attorney duly authorized in writing only upon the books of the County kept by the Registrar and only upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. Upon the transfer of the Note, the County shall issue in the name of the transferee a new Note.

(2) The County, the Paying Agent and the Registrar shall deem and treat the person in whose name the Note shall be registered upon the books kept by the Registrar as the absolute owner of such Note, whether such Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Note as the same becomes due, and for all other purposes. All such payments so made to any such registered owner or upon his or her order shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid, and neither the County, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

(3) In connection with the privilege of transferring the Note is exercised, the County shall execute and the Registrar shall authenticate and deliver a new Note in accordance with the provisions of the Resolution. There shall be no charge for any such transfer of the Note, but the County or the Registrar may require payment of a sum sufficient to pay any tax, fee or other governmental charge (other than of the County) required to be paid with respect to such transfer.

This Note may be prepaid at any time without penalty or premium on any Business Day, as set forth in the Agreement.

The interest rate on the Note shall be subject to adjustment upon a Determination of Taxability or upon an Event of Default in the manner set forth in the Agreement.

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 Note exist, have happened

and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Note is in full compliance with all constitutional or statutory limitations or provisions.

IN WITNESS WHEREOF, Manatee County, Florida, has caused this Note to be signed by the Chairperson (or in the absence of the Chairperson, any Vice Chairperson) of the Board of County Commissioners of Manatee County, Florida, either manually or with his/her facsimile signature, and the seal of said County to be affixed hereto or imprinted or reproduced hereon, and attested by the Clerk or Deputy Clerk of the Board of County Commissioners of Manatee County, Florida, either manually or with his/her facsimile signature, all as of the Dated Date.

MANATEE COUNTY, a political subdivision of the State of Florida

By: its Board of County Commissioners

By: _____

Name: _____

Title: _____

Date: _____

ATTEST: ANGELINA COLONNESO
CLERK OF THE CIRCUIT COURT
AND COMPTROLLER

By: _____
[Deputy] Clerk

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____

This Note is the Note delivered pursuant to the within mentioned Resolution.

OFFICE OF MANATEE COUNTY
CLERK OF THE COURTS, as Registrar

By: _____
Authorized Officer

ASSIGNMENT AND TRANSFER*

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto _____

(please print or typewrite name and address of transferee)

the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____

Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

In the presence of: _____

* Assignments and Transfers are subject to the terms of the Resolution.

EXHIBIT "B"

Disclosure and Truth-In-Bonding Statements

June ____, 2021

Board of County Commissioners
of Manatee County, Florida
Bradenton, Florida

Re: **\$40,000,000 (not exceeding)
Manatee County, Florida
Revenue Improvement Note, Series 2021**

To Board of County Commissioners:

This letter shall serve as the disclosure statements and truth-in-bonding statement pursuant to Section 218.385, Florida Statutes, in connection with the sale of the above-referenced Note (the "CBA Note") to PNC Bank, National Association (the "Lender"). We represent to you as follows:

1. No management fee will be charged by the Lender.
2. The underwriting spread which the Lender expects to realize will be -0-.
3. No fee, bonus or other compensation will be paid by the Lender in connection with the issue of the CBA Note to any person not regularly employed or retained by the Lender.
4. Manatee County, Florida (the "County"), is proposing to issue the aggregate principal amount of not exceeding \$40,000,000 of debt or obligation for the purposes of financing certain capital projects. This debt or obligation is expected to be repaid over a period of approximately 24 months. The CBA Note bears a variable interest rate so the total interest paid over the life of the debt or obligation cannot be predicted.

The source of repayment or security for this proposal is the Pledged Revenues (as defined in the resolution authorizing the issuance of the debt or obligation). Authorizing this debt or obligation will result in up to \$40,000,000 of Pledged Revenues (assuming \$40,000,000 has been advanced), plus interest, not being available to finance other capital projects in the County in calendar years 2021 (commencing on this date) through the second anniversary from the date hereof.

Very truly yours,

PNC BANK, NATIONAL ASSOCIATION

By: _____

Name: _____

Title: _____

EXHIBIT "C"

LIBOR Replacement Rider

If the Owner determines (which determination shall be final and conclusive) that, by reason of circumstances affecting the Eurodollar market generally, deposits in dollars (in the applicable amounts) are not being offered to banks in the Eurodollar market for the selected term, or adequate means do not exist for ascertaining LIBOR, then the Owner shall give written notice thereof to the County. Thereafter, until the Owner notifies the County that the circumstances giving rise to such suspension no longer exist, (a) the availability of LIBOR as a component of the Interest Rate shall be suspended, and (b) the interest rate for all amounts then bearing interest on this Note shall be converted at the expiration of the then current interest period(s) to the Base Rate. **[NO – BASE RATE IS NOT THE EQUIVALENT]**

In addition, if, after the date of this Note, the Owner shall determine (which determination shall be final and conclusive) that any enactment, promulgation or adoption of or any change in any applicable law, rule or regulation, or any change in the interpretation or administration thereof by a governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by the Owner with any guideline, request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impossible for the Owner to make or maintain or fund loans based on LIBOR, the Owner shall notify the County. Thereafter, until the Owner notifies the County that the circumstances giving rise to such determination no longer apply, (a) the availability of LIBOR as a component of the Interest Rate shall be suspended, and (b) the interest rate on all amounts then bearing interest on this Note shall be converted to the Base Rate either (i) on the last day of the then current interest period(s) if the Owner may lawfully continue to maintain or fund loans based on LIBOR to such day, or (ii) immediately if the Owner may not lawfully continue to maintain or fund loans based on LIBOR. **[NO – BASE RATE IS NOT THE EQUIVALENT]**

Upon a modification of the Interest Rate as provided in this Exhibit "C," the County shall provide to the Owner an opinion of Bond Counsel to the effect that such change in the interest rate in accordance with the provisions of this Exhibit "C," will not in and of itself result in the interest on this Note not being excludable to the Owner for federal income tax purposes, and until such opinion shall be delivered this Note shall bear interest at the Base Rate. **[NO – BASE RATE IS NOT THE EQUIVALENT] [WHAT HAPPENS IF OPINION CAN'T BE GIVEN?]**

This LIBOR Replacement Rider provides a mechanism for determining an alternative rate of interest in the event that the LIBOR is no longer available or in certain other circumstances. The Owner does not warrant or accept any responsibility for and shall not have any liability with respect to, the administration, submission or any other matter related to the LIBOR or other rates in the definition of "LIBOR" or with respect to any alternative or successor rate thereto, or replacement rate therefor. To the extent that any term or provision of this LIBOR Replacement Rider is or may be inconsistent with any term or provision in the remainder of this

Note, the Resolution or any other document entered into with respect thereto (collectively, the “Loan Documents”), the terms and provisions of this LIBOR Replacement Rider shall control.

(a) **Announcements Related to LIBOR.** On March 5, 2021, the ICE Benchmark Administration, the administrator of LIBOR (the “IBA”) and the U.K. Financial Conduct Authority, the regulatory supervisor for the IBA, announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-week, 1-month, 2-month, 3-month, 6-month and 12-month USD LIBOR tenor settings (collectively, the “**Cessation Announcements**”). The parties hereto acknowledge that, as a result of the Cessation Announcements, a Benchmark Transition Event occurred on March 5, 2021 with respect to USD LIBOR under clauses (1) and (2) of the definition of Benchmark Transition Event below; provided however, no related Benchmark Replacement Date occurred as of such date.

(b) **Benchmark Replacement.** Notwithstanding anything to the contrary herein or in any other loan document,* if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then, (x) if the Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of “Benchmark Replacement” on the Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any other loan document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment or further action or consent of any other party hereto or to any other loan document; and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of “Benchmark Replacement” on the Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any other loan document in respect of any Benchmark setting at or after 5:00 p.m. (Eastern time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the County without any amendment hereto or to any other loan document, or further action or consent of the County, so long as the Lender has not received, by such time, written notice of objection to such Benchmark Replacement from the County.

(c) **Benchmark Replacement Conforming Changes.** In connection with the implementation of a Benchmark Replacement, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other loan document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of the County.

(d) **Notices; Standards for Decisions and Determinations.** The Lender will promptly notify the County of (i) any occurrence of a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to paragraph (e) below and (v) the

* For purposes of this Rider, there are no other loan documents other than the Agreement and the Resolution and the County has not entered into a swap agreement with the Lender.

commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Lender pursuant to this Rider, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from the County.

(e) **Unavailability of Tenor of Benchmark.** Notwithstanding anything to the contrary herein or in any other loan document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or USD LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Lender may modify the definition of “LIBOR Interest Period” for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Lender may modify the definition of “LIBOR Interest Period” for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) **Benchmark Unavailability Period.** Upon the County’s receipt of notice of the commencement of a Benchmark Unavailability Period, the County may revoke any request for a loan or advance of, conversion to or continuation of a USD LIBOR loan to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the County will be deemed to have converted any such request into a request for a loan or advance of or conversion to a loan or advance at the Fallback Rate. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Fallback Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Fallback Rate.

(g) **Secondary Term SOFR Conversion.** Notwithstanding anything to the contrary herein or in any other loan document and subject to the proviso below in this paragraph, if a Term SOFR Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (i) the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any other loan document in respect of such Benchmark setting (the “**Secondary Term SOFR Conversion Date**”) and subsequent Benchmark settings, without any amendment or further action or consent of any other party hereto or to any other Loan Document; and (ii) loans outstanding on the Secondary Term SOFR Conversion Date bearing interest based on the then-current Benchmark shall be deemed to have been converted to loans bearing interest at the Benchmark Replacement with a tenor approximately the same length as the interest payment period of the then-current Benchmark; provided that, (A) this paragraph (g) shall not be effective unless the Lender has delivered to the County a Term SOFR Notice and (B)

this paragraph (g) shall not be effective with respect to the CBA Loan and the Agreement if (I) the County has outstanding an interest rate swap with the Lender to hedge, in whole or part, the floating rate risk under the CBA Loan and the Agreement on the Secondary Term SOFR Conversion Date, and (II) such swap incorporates LIBOR fallback provisions with a Daily Simple SOFR rate as the primary alternative fallback rate for USD LIBOR.

(h) **Certain Defined Terms.** As used in this Rider:

“**Available Tenor**” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate or is based on a term rate, any tenor for such Benchmark that is or may be used for determining such Benchmark or the length of a LIBOR Interest Period under the terms of the CBA Loan and the Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “LIBOR Interest Period” pursuant to paragraph (e) of this Rider, or (y) if the then-current Benchmark is not a term rate nor based on a term rate, any payment period for interest calculated with reference to such Benchmark under the terms of the Facility as of such date. [For the avoidance of doubt, the Available Tenor for the Daily LIBOR Rate is one month.]

“**Benchmark**” means, initially, USD LIBOR; provided that if a Benchmark Transition Event, a Term SOFR Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to USD LIBOR or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to paragraph (b) of this Rider.

“**Benchmark Replacement**” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Lender on the applicable Benchmark Replacement Date; provided, however, if (i) the County has outstanding an interest rate swap with the Lender on the Benchmark Replacement Date to hedge, in whole or part, the floating rate risk under the CBA Loan and the Agreement, and (ii) such swap incorporates LIBOR fallback provisions with a Daily Simple SOFR rate as the primary alternative fallback rate for USD LIBOR, then the Benchmark Replacement alternative set forth in clause (1) below shall not apply to the CBA Loan and the Agreement and the alternative set forth below in clause (2) shall be the first alternative:

- (1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;
- (2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;
- (3) the sum of: (a) the alternate benchmark rate that has been selected by the Lender as the replacement for the then-current Benchmark for the applicable Corresponding Tenor, giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any

evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated or bilateral credit facilities at such time, and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion; provided, further, that, with respect to a Term SOFR Transition Event, on the applicable Benchmark Replacement Date, the “Benchmark Replacement” shall revert to and shall be determined as set forth in clause (1) of this definition, all in accordance with paragraph (g) (Secondary Term SOFR Conversion) above. If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes hereof and of the other Loan Documents.

“**Benchmark Replacement Adjustment**” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any Available Tenor for any setting of such Unadjusted Benchmark Replacement:

- (1) for purposes of clauses (1) and (2) of the definition of “Benchmark Replacement,” the applicable amount(s) set forth below:

Available Tenor	Benchmark Replacement Adjustment*
One-Week	0.03839% (3.839 basis points)
One-Month	0.11448% (11.448 basis points)
Two-Months	0.18456% (18.456 basis points)
Three-Months	0.26161% (26.161 basis points)
Six-Months	0.42826% (42.826 basis points)
* These values represent the ARRC/ISDA recommended spread adjustment values available here: https://assets.bbhub.io/professional/sites/10/IBOR-Fallbacks-LIBOR-Cessation_Announcement_20210305.pdf .	

- (2) for purposes of clause (3) of the definition of “Benchmark Replacement,” the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender for the applicable Corresponding Tenor, giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable

Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated or bilateral credit facilities; provided that, if the then-current Benchmark is a term rate, more than one tenor of such Benchmark is available as of the applicable Benchmark Replacement Date and the applicable Unadjusted Benchmark Replacement will not be a term rate, the Available Tenor of such Benchmark for purposes of this definition of “Benchmark Replacement Adjustment” shall be deemed to be the Available Tenor that has approximately the same length (disregarding business day adjustments) as the payment period for interest calculated with reference to such Unadjusted Benchmark Replacement.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “LIBOR Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of the CBA Loan and the Agreement and the other loan documents).

“Benchmark Replacement Date” means the earliest to occur of the following events with respect to the then-current Benchmark:

- (1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);
- (2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date determined by the Lender, which date shall promptly follow the date of the public statement or publication of information referenced therein;
- (3) in the case of a Term SOFR Transition Event, the date that is set forth in the Term SOFR Notice provided to the County pursuant to this Rider, which date shall be at least 30 days from the date of the Term SOFR Notice; or
- (4) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the County.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);
- (2) a public statement or publication of information by a Governmental Authority having jurisdiction over the Lender, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or a Governmental Authority having jurisdiction over the Lender announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any other loan document in accordance with this Rider, and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any other loan document in accordance with this Rider.

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which may include a lookback) being established by the Lender in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for business loans; provided, that if the Lender decides that any such convention is not administratively feasible for the Lender, then the Lender may establish another convention in its reasonable discretion.

“Early Opt-in Election” means, if the then-current Benchmark is USD LIBOR, the occurrence of:

- (1) a determination by the Lender that at least five (5) currently outstanding U.S. dollar-denominated syndicated or bilateral credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate and such credit facilities are identified in the notice to the County described in clause (2) below and are publicly available for review, and
- (2) the election by the Lender to trigger a fallback from USD LIBOR and the provision by the Lender of written notice of such election to the County.

“Fallback Rate” means the alternative rate of interest that would have been applicable under the terms of the CBA Loan and Agreement (absent this Rider) if the Lender had given notice that USD LIBOR had become unavailable or, if no such alternative rate is specified, the Base Rate.

“Floor” means the minimum rate of interest, if any, provided under the terms of the CBA Loan and Agreement with respect to USD LIBOR or, if no minimum rate of interest is specified, zero.

“Governmental Authority” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“**ISDA Definitions**” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“**Reference Time**” with respect to any setting of the then-current Benchmark means (1) if such Benchmark is USD LIBOR (other than the Daily LIBOR Rate), 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not USD LIBOR or is the Daily LIBOR Rate, the time determined by the Lender in its reasonable discretion.

“**Relevant Governmental Body**” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“**SOFR**” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website on the immediately succeeding Business Day.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“**Term SOFR**” means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“**Term SOFR Notice**” means a notification by the Lender to the County of the occurrence of a Term SOFR Transition Event.

“**Term SOFR Transition Event**” means the determination by the Lender that (1) Term SOFR has been recommended for use by the Relevant Governmental Body, and is determinable for each Available Tenor, (2) the administration of Term SOFR is administratively feasible for the Lender and (3) a Benchmark Transition Event has previously occurred resulting in a Benchmark Replacement in accordance with this Rider that is not Term SOFR.

“**Unadjusted Benchmark Replacement**” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“**USD LIBOR**” means, for purposes of this Rider only, any interest rate that is based on the London interbank offered rate for U.S. dollars.

EXHIBIT "D"

Compliance Certificate

The undersigned hereby certifies that he or she is a duly authorized officer of **MANATEE COUNTY, FLORIDA** (the "County") and is furnishing this Compliance Certificate on behalf of the Borrower pursuant to that certain Loan Agreement dated June 1, 2021 relating to the CBA Loan (as amended or otherwise modified from time to time, the "Agreement"), with **PNC BANK, NATIONAL ASSOCIATION** (the "Lender"). Initially capitalized words and terms used herein without definition shall have the respective meanings assigned to them in the Agreement or in the Resolution (as such term is defined in the Agreement) (collectively, the "Loan Documents"). The undersigned hereby represents and agrees as follows:

1. He or she is authorized to execute and deliver this Compliance Certificate on behalf of the County.

2. He or she is familiar with the provisions of the Loan Documents and the transactions contemplated thereby, and has reviewed the Loan Documents, had such discussions with the County's management and employees and done such other investigation as necessary to support the statements made below.

3. No Event of Default exists under the Loan Documents and no event has occurred that with the passage of time, the giving of notice or both, would constitute an Event of Default, except as follows: ¹ _____

4. Except as set forth above, the County has performed all of its obligations under the Loan Documents, and all of the representations and warranties made by the County in the Loan Documents are true and correct as of the date hereof.

5. If applicable, attached hereto as Exhibit "A" are calculations in reasonable detail manifesting compliance as of the close of the period indicated with any and all financial covenants contained in the Loan Documents.

WITNESS the due execution hereof with the intent to be legally bound hereby as of this _____ day of _____, _____.

MANATEE COUNTY, FLORIDA

By: _____
Print Name: _____
Title: _____

¹NOTE: Leave the space blank if there are no Events of Default and no events that with the passage of time, the giving of notice, or both, would constitute Event(s) of Default. Otherwise, describe all defaults and the corrective measures the Borrower proposes to take as to each such default.

EXHIBIT “E”

**MANATEE COUNTY, FLORIDA
REVENUE IMPROVEMENT NOTE, SERIES 2021**

REQUISITION FOR PAYMENT

Amount Requested:	\$ _____
Total Disbursements to Date:	\$ _____
Principal Amount Previously Repaid:	\$(_____)
TOTAL:	\$ _____

1. Unless otherwise noted, all capitalized terms herein shall have the meanings assigned to them in Note Resolution R-21-099 of Manatee County, Florida (the “County”) adopted on June 8, 2021 relating to the above-referenced Note.

2. The Issuer hereby certifies that proceeds from this Requisition have been or will be used for capital costs of the CBA Projects and has not been the basis of any previous disbursement.

3. The Issuer hereby certifies that no Event of Default, or event that with the giving of notice or the passage of time would constitute an Event of Default, exists.

4. The Issuer hereby certifies that all conditions precedent to this Advance have been fulfilled.

5. Please wire the funds to:

Amount:	\$ _____
Bank Acct Name:	Manatee County Board of County Commissioners
Account Number:	000095034595
Bank Name:	Bank of America 101 N Tryon St Charlotte NC
ABA#:	026009593

[SIGNATURES ON FOLLOWING PAGE]

This ____ day of _____, 20__.

MANATEE COUNTY, FLORIDA

By: _____
Name: _____
Title: _____

APPROVED BY:

PNC BANK, NATIONAL ASSOCIATION, as
Owner of the CBA Note

By: _____
Authorized Representative

Greenberg Traurig, P.A., as bond counsel to the County, hereby certifies that its opinion delivered on the date of issuance of the above-referenced Note remains in full force and effect and shall be deemed to take into account the Advance made pursuant to this Requisition for Payment.

GREENBERG TRAUIG, P.A.

By: _____
Name: Stephen D. Sanford
Title: Shareholder

57578131v9/016705.015600



Board of County Commissioners
June 8, 2021 - Regular Meeting

SUBJECT

ADOPTION OF NOTE RESOLUTION R-21-099 AUTHORIZING THE ISSUANCE OF THE REVENUE IMPROVEMENT NOTES, SERIES 2021; ADOPTION OF RESOLUTION R-21-101 AUTHORIZING A REIMBURSEMENT RESOLUTION EXPRESSING THE INTENT TO REIMBURSE THE COUNTY FOR CERTAIN CAPITAL EXPENDITURES WITH LOAN PROCEEDS; AND ADOPTION OF BUDGET RESOLUTION B-21-094 AMENDING THE ANNUAL BUDGET FOR MANATEE COUNTY, FL, FOR FISCAL YEAR 2021.

Category

REGULAR

Briefings

None

Contact and/or Presenter Information

Jan Brewer, Director, Financial Management, x3726

Action Requested

- Adoption of Note Resolution R-21-099 authorizing the issuance of the Revenue Improvement Notes, Series 2021.
- Adoption of Resolution R-21-101 authorizing a Reimbursement Resolution expressing the intent to reimburse the County for certain capital expenditures with loan proceeds.
- Adoption of Budget Resolution B-21-094 amending the annual budget for Manatee County, FL, for fiscal year 2021.

Enabling/Regulating Authority

N/A

Background Discussion

The Capital Improvement Plan (CIP) budget process is under way for the five year period FY22 through FY26.

The Board held a work session on February 18, 2021 which focused on Transportation and discussion on new projects and priorities of the plan. After review with Commissioners, the

newly suggested projects as well as new additions brought forward by the Commissioners were placed into tiers of priority for transportation projects. As a result of this effort, the newly suggested projects and any new additions presented by the Board have been summarized and identified into the following categories:

Tier 1 - High Priority

Tier 2 - Medium Priority

Tier 3 - Low Priority

Although all projects are of importance, the goal of the exercise was to create a working list on which to build the CIP FY22-26 for final review for the Board. Board discussion and approval of the presented items will assist in the budget process for the CIP FY22-26. The first motion establishes the priorities of the Transportation projects with the goal of preparing the CIP FY22-26 for presentation to the Commission.

While the CIP FY22-26 budget process is still underway, there is a need to move forward with design for Transportation projects which were prioritized. Establishment of a Credit Line for \$40 million dedicated to General Government projects would be a preferred financing mechanism until design and land acquisition is completed for large projects. Once the stage of construction is about to begin, the Board will have the opportunity to issue bonds to replace the Credit Line amounts and also establish construction funding over the life of the project. By using the Line of Credit, the County will take advantage of paying minimal interest payments within the design and land acquisition stages.

Resolution R-21-101 establishes the County's intent to reimburse certain capital expenditures with proceeds from tax exempt financing. The Internal Revenue Code of 1986 and applicable "Regulations" require that governments issuing tax exempt debt formally express their intent to reimburse expenditures which occur prior to the closing of the financing, up to 60 days prior to the effective date of the reimbursement resolution. The resolution includes the intent to reimburse certain past and future capital expenditures for capital projects relating to the Transportation and General Government.

On April 20, 2021 the Board approved the authorization of our Financial Advisor and staff to determine the most cost effective financing option for the transaction. It was determined to fund a portion of the project with a draw-down line of credit with a maturity of either two or three years. At or prior to maturity, we expect that long-term fixed rate bonds will be issued to take-out the loan, as well as, fund the remaining portion of the project. By using the line of credit, the County will take advantage of paying minimal interest during the design stages of the projects.

The current recommendation by staff is approval of the attached resolution which provides the following:

- 1) Authorize the Issuance of the Revenue Improvement Notes, Series 2021 in an amount not to exceed \$40,000,000, which will be made in periodic draws and will have a final maturity date June 2023.
- 2) Authorize and approve the execution of the loan agreement with PNC Bank, National Association the lender, who was recommended by the County's Financial Advisor, Public Resources Advisory Group, based on a request for proposals.
- 3) The interest rate will be based on a variable rate and calculated monthly utilizing an established index plus a defined credit spread. Interest is to be paid to the Bank on a monthly basis.

Bond Counsel for Manatee County, Stephen D. Sanford of Greenberg Taurig, P.A., has prepared for review the Note Resolution R-21-099 and certain other documents for approval. The Resolution also authorizes subsequent execution of closing documents and provides for certain other details related to periodic draws, prepayment ability and maturity of the Credit Line. Additionally, parameters are established in the Resolution.

Updated versions of these document may be provided to the Commission prior to the meeting due to extensive review from numerous parties, but the basic terms and conditions will not change.

A Motion to approve budget amendment B-21-094 for the appropriation of \$40,000,000 of Loan Proceeds for this issuance.

Attorney Review

Other (Requires explanation in field below)

Other (if applicable)

Loan documents were prepared by Bond Counsel and reviewed by William Clague

Reviewing Attorney

Clague

Instructions to Board Records

[Emailed 5/10/2021](#)

Copies of approval to:

Jan Brewer, Director, Financial Management Department (jan.brewer@mymanatee.org), William Clague, County Attorney's Office (william.clague@mymanatee.org), Sheila McLean, Financial Management Department (sheila.mclean@mymanatee.org), and budget@mymanatee.org.

Cost and Funds Source Account Number and Name

N/A

Amount and Frequency of Recurring Costs

N/A



MEMORANDUM

To: Dr. Scott Hopes, County Administrator

From: Diane Vollmer, Agenda Coordinator

Date: June 7, 2021

Subject: **Agenda Update for Meeting of June 8, 2021**

This memo and the changes indicated below are reflected in the electronic agenda.

Changes to Consent Agenda

PROPERTY MANAGEMENT

Item 40 - Resolutions R-21-029 and R-21-090 regarding the Florida Maritime Museum; Amended and Restated Management Agreement; and License Agreement

This item was moved from the Consent Agenda to New Business-Items Removed from Consent Agenda.

PUBLIC WORKS

Item 47 - Resolution R-21-093 and Florida Department of Transportation Agreement, a State-Funded Grant Agreement for Moccasin Wallow Road Expansion from 115th Street East to US 301

- The resolution was updated and replaced to incorporate minor changes suggested by the County Attorney's Office.
- The agreement was updated and replaced to include Exhibit O.

Changes to Regular Agenda

REDEVELOPMENT AND ECONOMIC OPPORTUNITY

Item 5 - Resolution R-21-092 - Conveyance of County-Owned Property to Community Solutions 360, Inc. for Affordable Housing Development; Land Use Restriction Agreement and Conveyance Deed from County of Manatee to Community Solutions 360, Inc.

The agreement was updated and replaced to correct the Total Per-Unit Dollar Value to \$175,000 in Exhibit "B".

FINANCIAL MANAGEMENT

Item 62 - Resolution R-21-100 authorizing the issuance of Infrastructure Sales Tax Revenue Improvement Notes, Series 2021; Resolution R-21-102 authorizing a Reimbursement Resolution; and Budget Resolution B-21-087

Item 63 - Resolution R-21-099 authorizing the issuance of the Revenue Improvement Notes, Series 2021; Resolution R-21-101 authorizing a Reimbursement Resolution; and Budget Resolution B-21-094

The PRAG Recommendation Memos for Items 62 and 63 were updated and replaced to correct the Interest Rate Calculations (on Page 2) from .79% to "79%."

ADMINISTRATION

Item 64 - Resolution R-21-085 regarding Ballot Question for School Board Millage and Budget Resolution B-21-086

This item has been scheduled for a 1:30 p.m. time certain.

Item 66 - Confirmation of Appointment of Deputy County Administrator

Mr. Reinshuttle's resumé was added to this agenda item.

NEIGHBORHOOD SERVICES

Item 67 – Donation from the Friends of the Braden River Library and Budget Resolution B-21-074

Pictures depicting ongoing renovations at the Braden River Library were added to this agenda item.

Additions to Commissioner Agenda

COMMISSIONER BELLAMY

Item 70 - Resolution Naming the Judicial Center Law Library after Attorney Layon Robinson, II

Request for a "Motion to direct the County Attorney's Office to prepare a resolution naming the judicial center law library after Attorney Layon Robinson, II, and to schedule and advertise the resolution for a public hearing."

Item 71 - Authorization to Include Sylvan Oaks, and the Associated Drainage Systems, as High Priority for Flood Mitigation Analysis through the North County Watershed Management Plan

Request for a "Motion for staff to include Sylvan Oaks, and the associated drainage systems, as high priority for flood mitigation analysis through the North County Watershed Management Plan."

May 27, 2021

The Honorable Chair and
 Board of County Commissioners
 Manatee County, Florida
 1112 Manatee Avenue
 Bradenton, Florida 34205

RE: Covenant to Budget and Appropriate Line of Credit

Ladies and Gentlemen:

Public Resources Advisory Group (“PRAG”) is serving as Financial Advisor in connection with the County’s establishment of a two-year \$40 million non-revolving Line of Credit to finance various transportation, public safety, and parks related capital improvements throughout the County (the “CBA Line”). The CBA Line is separate and distinct from the Line of Credit to be used to fund projects under the Infrastructure Sales Tax.

The CBA Line will be secured by the County’s covenant to budget and appropriate from legally available Non-Ad Valorem revenues.

At the direction of the Board and working with the Financial Management Department, PRAG developed and released a request for proposals for the CBA Line to national and regional banks who traditionally offer governmental lines of credit. The County received proposals from Bank of America, PNC Bank, Regions Bank and Wells Fargo.

Because the draw provisions for lines of credit are flexible, lines of credit carry a variable interest rate. In addition, many banks require an “unused fee” on the undrawn portion of the line to reflect the capital charges incurred for the line of credit commitment. The net cost to the County for a line of credit is uncertain and depends on the amount and timing of the draws, the variable interest rate and any unused fee. For the purposes of the RFP and the analysis of the proposals, PRAG used the estimated draw schedule shown to the right developed by the Financial Management Department.

The four proposals for the CBA Line are summarized as Exhibit A. As requested, all four banks provided a proposal for a two-year term and a three-year term. In all cases, the interest rate was lower for the two-year term. Given the Board’s desire to issue long term bonds to take out the CBA Line while rates remain low, PRAG recommended, and County staff concurred to utilize the lower two-year pricing. Of the four proposals, PNC Bank offered the lowest interest rate at 79% of One Month Libor plus 0.21% with no unused fee. PRAG found the terms of the PNC

Estimated Draw Schedule Used in RFP	
Draw Date	Draw Amount
Line Closing	\$3.34MM
9/1/21	2.50MM
10/1/21	5.17MM
1/1/22	5.17MM
4/1/22	5.17MM
7/1/22	5.17MM
10/1/22	4.14MM
1/1/23	4.14MM
4/1/23	4.14MM
6/1/23	1.06MM
Total	\$40.00MM



proposal acceptable and recommends acceptance of their proposal by the County as documented in the attached Resolution, Loan Agreement and Note.

The major terms of the CBA Line are as follows:

Facility:	Tax-Exempt Non-Revolver Line of Credit
Amount:	Up to \$40,000,000
Use of Proceeds:	General governmental projects
Closing:	Scheduled for June 11, 2021
Term:	Two Years from Closing (estimated June 11, 2023)
Interest Due:	Monthly
Principal Due:	At Maturity
Prepayment Option:	May be prepaid at any time without premium or penalty
Interest Rate Calculation:	79% of One Month LIBOR plus 0.21%. The interest rate is subject to increase upon an event of taxability due to the action or inaction of the County or an event of default. Interest is calculated and paid monthly.
Current Indicative Rate:	0.29% with One Month LIBOR at 0.10%
Unused Fee:	None
Draw Frequency:	Once per month
Draw Amounts:	Minimum of \$100,000
Expected Repayment:	Issuance of Long-term Bonds
Term Out Feature:	At maturity, the CBA Line may be repaid over a three year period with quarterly principal and interest payments at a significantly higher rate. This feature provides some flexibility to the County if market conditions at the maturity of the CBA Line do not allow the issuance of refunding bonds, but is not envisioned to be a long-term repayment option.

As with any borrowing, the County will have to maintain certain covenants and will be subject to standard Events of Default. As detailed in the Resolution, the highlights of the major events of default include:

- Failure to pay debt service on the CBA Line;
- Failure to observe and perform any other covenant, condition or agreement contained in the Loan Agreement or Resolution;
- Making of any false, incorrect, or misleading statement, representation or warranty;
- Default on other obligations in excess of \$250,000;



- The County admits its inability to pay its debt as they become due or enters bankruptcy;
- Appointment of a receiver, trustee, custodian or liquidator for all or a substantial part of the assets of the County; and,
- A reduction in the County’s credit rating below Baa3/BBB-.

The actual One Month LIBOR yields for the past five years are shown to the right. LIBOR is a taxable rate, therefore the Bank is proposing that the index be based on 79% of LIBOR, reflecting the Bank’s maximum corporate tax rate of 21% to create a tax-exempt index. The 21 basis point credit spread is then added to calculate the monthly interest rate.




One additional aspect that the Board should be aware of is that the CBA Line will be a LIBOR-based line and all U.S. LIBOR rates are scheduled to be terminated on June 30, 2023. The CBA Line is scheduled to mature before that date and the Loan Agreement has “fall back language” that describes the interest rate calculation should LIBOR not be available. Given the expected maturity prior to June 30, 2023, the fall back language, and the County’s ability to repay the line at any time, we think the use of LIBOR as an index is reasonable for this facility.

As previously stated, PRAG recommends the acceptance of PNC Bank’s proposal and the approval of the Resolution for the CBA Line.

Sincerely,

PUBLIC RESOURCES ADVISORY GROUP


 Wendell Gaertner
 Senior Managing Director

R-21-099

**MANATEE COUNTY, FLORIDA
REVENUE IMPROVEMENT NOTE, SERIES 2021**

NOTE RESOLUTION

Adopted June 8, 2021

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RESOLUTION NO. R-21-099

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF A NOTE IN THE INITIAL AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$40,000,000 AND DESIGNATED MANATEE COUNTY, FLORIDA, REVENUE IMPROVEMENT NOTE, SERIES 2021 (THE "NOTE") TO FINANCE THE COSTS OF CERTAIN CAPITAL PROJECTS; AUTHORIZING THE NEGOTIATED PRIVATE PLACEMENT OF THE NOTE WITH PNC BANK, NATIONAL ASSOCIATION (THE "LENDER"); APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT BETWEEN THE COUNTY AND THE LENDER; AUTHORIZING THE CLERK TO MAKE CERTAIN DETERMINATIONS WITH RESPECT TO THE NOTE SUBJECT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPOINTING A PAYING AGENT AND REGISTRAR; PROVIDING FOR THE TERMS AND PAYMENT OF SUCH NOTE; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE LENDER THEREOF; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Manatee County, Florida, a political subdivision of the State of Florida (the "County") initiated a request for proposals ("RFP") from certain lending institutions to finance certain capital projects described on Exhibit "A" attached hereto (collectively, the "CBA Projects"); and

WHEREAS, in order to finance the CBA Projects, and as a result of such RFP and proposals from various lending institutions, PNC Bank, National Association (the "Lender") provided the overall best proposal (herein, the "PNC Proposal") to provide financing for the CBA Projects the County has elected to finance, taking into account interest rates and the term of the loan to be made by the Lender (the "CBA Loan"); and

WHEREAS, pursuant to the PNC Proposal, this Resolution, the CBA Loan Agreement (as herein defined), and the CBA Note (as herein defined), the Lender has agreed to make the

CBA Loan to the County on a draw-down basis in the principal amount of not exceeding \$40,000,000; and

WHEREAS, the CBA Note will be issued pursuant to the terms and provisions of this Resolution and the CBA Loan Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, AS FOLLOWS:

ARTICLE I
DEFINITIONS, FINDINGS AND STATUTORY AUTHORITY

Section 1. DEFINITIONS. In addition to the terms heretofore defined in the recitals set forth above, the following terms shall have the following meanings:

“ACT” shall mean the Constitution of the State of Florida, Part I of Chapter 125, Florida Statutes, as amended and supplemented, and other applicable provisions of law.

“AUTHORIZED DENOMINATION” shall mean the Outstanding principal amount of the CBA Note issued hereunder.

“BOARD” shall mean the Board of County Commissioners of Manatee County, Florida, the governing body of the County.

“BOND COUNSEL” shall mean a firm or firms of nationally recognized attorneys-at-law selected by the County and experienced in the financing of capital projects for governmental units through the issuance of tax-exempt revenue obligations under the exemption provided under Section 103(a) of the Code.

“BUSINESS DAY” shall mean any day other than a Saturday, Sunday, legal holiday or a day on which the Payment Office of the Owner is lawfully closed.

“CBA LOAN” shall mean the loan made by the Lender to the County pursuant to the CBA Loan Agreement for the purpose of financing the CBA Projects.

“CBA LOAN AGREEMENT” shall mean that certain Loan Agreement expected to be dated as of June 1, 2021 by and between the County and the Owner which CBA Loan Agreement will evidence the terms of the CBA Loan. The CBA Loan will be made in the form of a non-revolving line of credit.

“CBA NOTE” shall mean the County’s Revenue Improvement Note, Series 2021.

“CBA PROJECTS” shall mean the capital projects described on Exhibit “A” attached hereto and any other capital projects in addition or in substitution of the list on Exhibit “A” determined to be appropriate by the County to be financed in whole or in part with the proceeds of the CBA Loan.

“CLERK” shall mean the Clerk of the Board and Chief Financial Officer of the County, or such person who is authorized to act on her behalf.

“CODE” shall mean the Internal Revenue Code of 1986, as amended, and all subsequent tax legislation duly enacted by the Congress of the United States. Each reference to a section of the Code herein shall be deemed to include, if applicable, temporary or proposed regulations, revenue rulings and proclamations issued or amended with respect thereto.

“COUNTY” shall mean Manatee County, a political subdivision of the State of Florida.

“DEBT SERVICE FUND” shall mean that certain fund by that name created in Section 4.C of Article III hereof.

“FISCAL YEAR” shall mean that period commencing on October 1 and continuing to and including the next succeeding September 30, or such other annual period as may be prescribed by law as the fiscal year of the County.

“INTEREST PAYMENT DATE” shall have the meaning set forth in the CBA Loan Agreement.

“MATURITY DATE” shall mean the date that is the two (2) year anniversary after the initial issuance of the CBA Note or if not a Business Day, the preceding Business Day unless the Term-Out Option (as defined in the CBA Loan Agreement) has been implemented, in which case the maturity of the CBA Note shall be the last Business Day of the Term-Out Option period.

“NON-AD VALOREM REVENUES” shall mean all revenues of the County derived from any source whatever other than ad valorem taxation on real and personal property, which are legally available for payment of debt service by the County on the CBA Note.

“OWNER,” or “REGISTERED OWNER” or any similar term, shall mean any person who shall be the registered owner of the CBA Note Outstanding under the terms of this Resolution.

“OUTSTANDING” shall mean, when used with reference to the CBA Note, as of any particular date, the CBA Note authenticated and delivered by the Registrar under this Resolution, except any principal amount of the CBA Note canceled because of prepayment prior to maturity.

“PAYING AGENT” shall mean the office of the Clerk, or if the Board shall so determine by subsequent proceedings, a bank or trust company appointed by subsequent proceedings of the Board to act as Paying Agent hereunder.

“PAYMENT OFFICE OF THE LENDER” shall have the meaning set forth in the CBA Loan Agreement as set forth in Section 21 thereof.

“PERMITTED INVESTMENTS” shall mean (i) U.S. Obligations and (ii) all other investments permitted under the laws of Florida and consistent with the investment policies of the County.

“PLEDGED REVENUES” shall mean (i) the Non-Ad Valorem Revenues deposited in the Debt Service Fund created and established under this Resolution, (ii) investment income received from the investment of moneys in the Debt Service Fund, (iii) any other moneys deposited in the Debt Service Fund or received by the Paying Agent in connection with the repayment of the CBA Note, and (iv) amounts on deposit in the CBA Acquisition and Construction Fund until withdrawn to finance the CBA Projects.

“REGISTRAR” shall mean the office of the Clerk, or if the Board shall so determine by subsequent proceedings, any bank or trust company appointed by subsequent proceedings of the Board to act as Registrar hereunder.

“RESOLUTION” shall mean this Resolution as the same may from time to time be amended and supplemented in accordance with the terms hereof.

“TAX CERTIFICATE” shall mean the certificate as to arbitrage and instructions as to compliance with the provisions of Section 103(a) of the Code, executed by the County on the date of initial issuance and delivery of the CBA Note, as such Tax Certificate may be amended from time to time, and which serves as a source of guidance for achieving compliance with the Code.

“U.S. OBLIGATIONS” shall mean direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America, and, if determined by subsequent proceedings of the Board, certificates which evidence ownership of the right to the payment of the principal of, or interest on, such obligations.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include

the plural number and vice versa unless the context shall otherwise indicate. The word “person” shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors. Any capitalized term used in this Resolution and not otherwise defined shall have the meaning ascribed to such term in the CBA Loan Agreement.

Section 2. FINDINGS. It is hereby ascertained, determined and declared:

A. That the recitals hereinbefore mentioned are hereby adopted.

B. That the Board deems it necessary, desirable and in the best interest of the citizens and residents of the County to issue the CBA Note to provide the funds necessary, together with other legally available moneys, to finance all or a portion of the CBA Projects, as described on Exhibit “A,” as such Exhibit “A” may be amended and supplemented from time to time.

C. That the principal of and interest on the CBA Note to be issued pursuant to this Resolution will be paid from the Pledged Revenues, all as provided herein and in the CBA Loan Agreement; and the ad valorem taxing power of the County will never be necessary or authorized to pay the principal of and interest on the CBA Note to be issued pursuant to this Resolution; and the CBA Note issued pursuant to this Resolution shall not constitute a lien upon any property whatsoever of or in the County and shall not be an indebtedness of the County within the meaning of any Constitutional, statutory or other limitation of indebtedness, but shall be payable solely from the Pledged Revenues.

D. That the Pledged Revenues will be sufficient to pay the principal of and interest on the CBA Note to be issued pursuant to this Resolution, as the same becomes due and

payable and any other payments provided for in this Resolution and in the CBA Loan Agreement.

E. That the Board hereby determines, based on the nature of the financing of the CBA Projects, volatility in the capital markets and timing issues, that it will be in the best economic interest of the County to obtain the CBA Loan from the Lender pursuant to the CBA Loan Agreement and to evidence the CBA Loan by the issuance of the CBA Note and private placement thereof to the Lender.

F. That the final terms of the CBA Loan and the CBA Note, if not set forth in this Resolution, shall be set forth in the CBA Loan Agreement, subject to the parameters set forth herein.

Section 3. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Act.

Section 4. RESOLUTION CONSTITUTES CONTRACT. In consideration of the acceptance of the CBA 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 County and the Owner and the covenants and agreements set forth in the CBA Loan Agreement.

ARTICLE II
AUTHORIZATIONS, TERMS, EXECUTION AND REGISTRATION OF NOTE

Section 1. AUTHORIZATION OF CBA NOTE. Subject and pursuant to the provisions of this Resolution, obligations of the County to be known as “Revenue Improvement Note, Series 2021,” are hereby authorized to be issued from time to time in the principal amount of FORTY MILLION DOLLARS (\$40,000,000) or such lesser amount as shall have been advanced under the CBA Loan Agreement (the “CBA Note”), to be issued, delivered and

secured as provided in the CBA Loan Agreement and herein. The CBA Note shall be issued for the purpose described in Section 2 of Article I hereof and to pay all or a portion of the cost of issuing the CBA Note. The actual principal amount of the CBA Note Outstanding shall be equal to an amount of the CBA Loan advanced by the Owner pursuant to the CBA Loan Agreement, less any principal amount of such CBA Loan repaid by the County. The maximum principal amount of the CBA Loan shall at no time during the term of the CBA Loan exceed \$40,000,000. The CBA Note will be issued on a draw-down basis and amounts advanced and repaid shall not be available to be re-advanced.

Section 2. GENERAL DESCRIPTION OF CBA NOTE. The CBA Note shall be issued in registered certificated form, shall be in the denomination equal to the principal amount of the CBA Loan advanced and not repaid not exceeding \$40,000,000 and shall, subject to earlier prepayment, mature on the Maturity Date as set forth in the CBA Loan Agreement.

The CBA Note (issued in one (1) typewritten certificate) shall be dated the date of initial issuance of such CBA Note. The CBA Note shall bear interest on the Outstanding principal amount of the CBA Note at the interest rate or rates per annum determined in accordance with the CBA Loan Agreement. Interest on the CBA Note shall be payable on the interest payment dates set forth in the CBA Loan Agreement. The Outstanding principal of the CBA Note shall be payable on the Maturity Date.

Principal of and interest on the CBA Note shall be payable at the office of the Paying Agent (the designated corporate trust office of the Paying Agent if the office of the Clerk is not the Paying Agent).

The CBA Note shall be payable, with respect to interest and principal, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Notwithstanding the foregoing, payment shall be effected by payment to the Owner of the principal and interest then due without surrender of the CBA Note; including prepayments in part, such payment to be evidenced by the records of the County and the Owner and such records shall be conclusive and binding upon the County and the Owner absent manifest error. Payment to the Owner shall be made by wire transfer in accordance with instructions provided by the Owner or in such other manner as agreed upon in writing by the County and the Owner.

Upon a payment or prepayment in whole, the County understands that the Owner will promptly thereafter surrender the CBA Note to the County marked "satisfied" or "paid in full." No presentment shall be required for any payment prior to payment at maturity or earlier prepayment in whole. If, on the prepayment date, funds for the payment of the principal amount to be prepaid, together with accrued and unpaid interest to the prepayment date on such principal amount, shall have been provided to the Owner, as above provided, then from and after the prepayment date interest on such principal amount of the CBA Note which is prepaid shall cease to accrue. If said funds shall not have been so paid on the proposed prepayment date, the principal amount of such CBA Note shall continue to bear interest until payment thereof at the applicable interest rate determined in accordance with the CBA Loan Agreement.

Section 3. EXECUTION OF CBA NOTE. The CBA Note shall be executed in the name of the County by the signature of the Chairperson of the Board or in the absence of the Chairperson, any Vice Chairperson of the Board, and its official seal shall be affixed thereto or imprinted or reproduced thereon and manually attested by the Clerk or any Deputy Clerk. The

signatures of said Chairperson, Vice Chairperson, Clerk or Deputy Clerk on the CBA Note shall be by manual signature. In case any one or more of the officers who shall have signed or sealed the CBA Note shall cease to be such officer of the County before the CBA Note so signed and sealed shall have been actually delivered, such CBA Note may nevertheless be delivered as herein provided and may be issued as if the person who signed or sealed such CBA Note had not ceased to hold such office.

The CBA Note shall bear thereon a certificate of authentication, in the form set forth in the CBA Loan Agreement, executed manually by the Registrar. Only such CBA Note as shall bear thereon such certificate of authentication shall be entitled to any right or benefit under this Resolution, and no CBA Note shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Registrar. Such certificate of the Registrar upon the CBA Note executed on behalf of the County shall be conclusive evidence that the CBA Note has been so authenticated and that the Owner thereof is entitled to the benefits of this Resolution.

Section 4. NEGOTIABILITY, REGISTRATION AND CANCELLATION. The Registrar shall keep books for the registration of CBA Note and for the registration of transfers of CBA Note. Subject to the next succeeding sentences, the CBA Note shall be transferable by the Owner thereof in person or by his attorney duly authorized in writing only upon the books of the County kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the Owner or his duly authorized attorney. The CBA Note is only transferable to an affiliate of the Owner, to an “accredited investor” within the meaning of Rule 501 of the Securities Act of 1933, as amended and supplemented (the “33 Act”) or to a “qualified institutional buyer” under Rule 144A of the

33 Act, and upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his or her duly authorized attorney. Upon the transfer of the CBA Note, the County shall issue in the name of the transferee a new CBA Note. The Owner may at any time pledge or grant a security interest in all or any portion of its rights under this Resolution and the CBA Note to secure obligations of the Owner, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release the Owner from any of its obligations hereunder or substitute any such pledgee or assignee for the Owner as a party hereto.

The County, the Paying Agent and the Registrar shall deem and treat the person in whose name the CBA Note shall be registered upon the books kept by the Registrar as the absolute Owner of the CBA Note, whether the CBA Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on the CBA Note as the same become due and for all other purposes. All such payments so made to any such Owner or upon his or her order shall be valid and effectual to satisfy and discharge the liability such CBA Note to the extent of the sum or sums so paid, and neither the County, the Paying Agent nor the Registrar shall be affected by any notice to the contrary.

In all cases in which the privilege of transferring the CBA Note is exercised, the County shall execute, and the Registrar shall authenticate and deliver, a CBA Note in accordance with the provisions of this Resolution. The CBA Note surrendered in any such transfer shall forthwith be delivered to the Registrar and canceled by the Registrar in the manner provided in this Section. There shall be no charge for any such transfer of the CBA Note, but the County or the Registrar may require the payment of a reasonable sum sufficient to pay any tax, fee or other

governmental charge (other than those of the County) required to be paid with respect to such transfer.

If the CBA Note is paid in full on or before the Maturity Date, it shall be delivered to the Registrar when such payment is made, and such CBA Note shall thereupon be promptly canceled. The CBA Note so canceled may at any time be destroyed by the Registrar, who shall execute a certificate of destruction in duplicate and one executed certificate shall be filed with the County, and the other executed certificate shall be retained by the Registrar. A copy of any certificate of destruction shall be provided to Owner upon request.

Section 5. CBA NOTE MUTILATED, DESTROYED, STOLEN OR LOST. In case the CBA Note shall become mutilated, destroyed, stolen or lost, the County may execute and the Registrar shall authenticate and deliver a new CBA Note of like date, Maturity Date and denomination as the CBA Note so mutilated, destroyed, stolen or lost; provided that, in the case of any mutilated CBA Note, such mutilated CBA Note shall first be surrendered to the County and, in the case of any lost, stolen or destroyed CBA Note, there shall first be furnished to the County and the Registrar evidence of such loss, theft, or destruction satisfactory to the County and the Registrar, together with indemnity satisfactory to them. In the event any such CBA Note shall be about to mature or have matured instead of issuing a duplicate CBA Note, the County may pay the same without surrender thereof. The County and the Registrar may charge the Owner of such CBA Note their reasonable fees and expenses incurred in connection with this transaction.

Any such duplicate CBA Note issued pursuant to this Section shall constitute additional contractual obligations on the part of the County, whether or not the lost, stolen or destroyed CBA Note be at any time found by anyone, and such duplicate CBA Note shall be entitled to

full benefits and rights as to lien on and source and security for payment from the Pledged Revenues. If any CBA Note that has been lost or stolen is found or recovered, such CBA Note shall be cancelled by the Registrar.

Section 6. FORM OF CBA NOTE. The CBA Note shall be typewritten on “safety” paper. The text of the CBA Note shall be of substantially the form attached as Exhibit “A” to the CBA Loan Agreement.

Section 7. NEGOTIATED SALE OF CBA NOTE; DELEGATION OF AUTHORITY. The Board hereby finds that, due to the volatile market conditions and in order to efficiently finance and refinance the CBA Projects, in whole or in part, it would be in the best interest of the County that the CBA Note be sold on a negotiated private placement basis. The County’s Financial Advisor shall file with the Clerk a written summary of the final details of the CBA Note. Such written summary shall be entered into Board records as an attachment to this Resolution. Notwithstanding anything in this Section 7 to the contrary, the County has the absolute right, in its sole discretion, to not execute the CBA Loan Agreement and issue the CBA Note and no contract between the County and the Lender, either expressed or implied, is intended before the CBA Loan Agreement and the CBA Note are executed.

Section 8. CBA LOAN AGREEMENT. The form, terms and provisions of the CBA Loan Agreement for the making of the CBA Loan consistent with the PNC Proposal and the provisions of this Resolution substantially in the form attached hereto as Exhibit “B” between the County and the Lender, as submitted to this meeting, is hereby approved and accepted. The Chairperson or any Vice Chairperson, in the absence of the Chairperson, are each hereby authorized and directed to execute and deliver the CBA Loan Agreement in the form submitted to this meeting, with such changes, insertions and deletions thereto as are necessary or desirable

for carrying out the purposes thereof as may be approved by the Chairperson or any Vice Chairperson, in the absence of the Chairperson, upon the advice of the County Attorney and Bond Counsel, the execution of said CBA Loan Agreement and delivery to the Lender being conclusive evidence of such approval.

ARTICLE III
COVENANTS, FUNDS AND APPLICATION THEREOF

Section 1. CBA NOTE NOT TO BE INDEBTEDNESS OF THE COUNTY. The CBA Note shall not be or constitute an indebtedness of the County within the meaning of any constitutional, statutory or other limitation or indebtedness, but shall be payable solely from a lien on and pledge of the Pledged Revenues. No Owner of the CBA Note issued hereunder shall ever have the right to compel the exercise of the ad valorem taxing power of the County, or taxation in any form on any real property therein to pay the CBA Note or the interest thereon.

It is further agreed between the County and the Owner of the CBA Notes that the CBA Note and the obligations evidenced thereby shall not constitute a lien upon any of the CBA Projects or on any other property of or in the County, but shall constitute a lien only on the Pledged Revenues pledged thereto, all in the manner provided in this Resolution.

Section 2. CBA NOTE SECURED BY LIEN ON AND PLEDGE OF THE PLEDGED REVENUES. The payment of the principal of and interest on the CBA Note issued hereunder shall be secured forthwith equally and ratably by a lien on and pledge of the Pledged Revenues in an amount sufficient to pay the principal of and interest on the CBA Note, herein authorized, and to make the required payments into the Debt Service Fund, hereinafter created, and all other payments provided for in this Resolution and the CBA Loan Agreement as the same become due and payable. No Non-Ad Valorem Revenues will be subject to a lien for the benefit of the Owner until they are deposited into the Debt Service Fund.

THE CBA NOTE DOES NOT CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS, OR A PLEDGE OF THE FAITH, CREDIT OR TAXING POWER, OF THE COUNTY OR OF THE STATE OF FLORIDA OR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, BUT IS A LIMITED, SPECIAL OBLIGATION OF THE COUNTY, THE PRINCIPAL OF AND INTEREST ON WHICH ARE PAYABLE FROM AND SECURED SOLELY BY THE PROCEEDS OF THE PLEDGED REVENUES. NEITHER THE COUNTY, THE STATE OF FLORIDA, NOR ANY AGENCY OR OTHER POLITICAL SUBDIVISION THEREOF WILL BE OBLIGATED (1) TO EXERCISE ITS AD VALOREM TAXING POWER OR ANY OTHER TAXING POWER IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE PRINCIPAL OF OR INTEREST ON THE CBA NOTE, OR OTHER COSTS INCIDENT THERETO, OR (2) TO PAY THE SAME FROM ANY FUNDS OF THE COUNTY EXCEPT FROM THE PROCEEDS OF THE PLEDGED REVENUES DESCRIBED HEREIN. THE CBA LOAN DOES NOT CONSTITUTE A LIEN UPON ANY OF THE CBA PROJECTS OR ANY OTHER PROPERTY OF OR IN THE COUNTY BUT CONSTITUTES A LIEN ONLY ON THE PROCEEDS OF THE PLEDGED REVENUES IN THE MANNER DESCRIBED HEREIN.

Section 3. APPLICATION OF CBA NOTE PROCEEDS. All moneys received by the County from the issuance of the CBA Note authorized and issued pursuant to this Resolution shall be disbursed in the following manner:

A. The net proceeds derived from the issuance of the CBA Note and any additional draw under the CBA Loan Agreement shall be deposited as received from time to time in a fund in a bank or trust company in the State which is eligible under State laws to receive

deposits of County funds, which fund is hereby created, established and designated as the “CBA Acquisition and Construction Fund” together with other moneys lawfully available therefor, if any. There is hereby created and established in the CBA Acquisition and Construction Fund a separate line item to be known as the “Cost of Issuance Cost Center,” into which shall be deposited on the date of initial issuance and delivery of the CBA Note an amount sufficient to pay the costs of issuance of the CBA Note, unless the County elects to pay all or a portion of the costs of issuance of the CBA Note from another source. No withdrawals shall be made from the CBA Acquisition and Construction Fund in an amount in excess of \$100,000 at any one time, except for amounts in the Cost of Issuance Cost Center without the written approval of the Clerk or her designee, and only upon receipt of a written requisition executed by the duly authorized official of the County responsible for the construction management of the CBA Projects, specifying the purpose for which such withdrawal is to be made and certifying that such purpose is one of the purposes provided for in Exhibit “A” attached hereto. If, for any reason, the moneys in the CBA Acquisition and Construction Fund, or any part thereof, are not necessary for, or are not applied to, the purposes of completion of the CBA Projects, as such CBA Projects may be changed by subsequent proceedings of the Board, then such surplus proceeds shall be deposited, upon certification of the Clerk, that such surplus proceeds are not needed for the purposes of the CBA Acquisition and Construction Fund, in the following order:

1. First, to the Debt Service Fund in the amounts determined by subsequent proceedings of the Board; and
2. Second, the balance, if any, to the County to be used for any lawful capital purpose.

The moneys deposited in the CBA Acquisition and Construction Fund may, pending their use for the purposes provided in this Resolution, be temporarily invested in Permitted Investments maturing not later than the dates on which such moneys will be needed for the purposes of the CBA Acquisition and Construction Fund. Subject to the provisions of the Code and the Tax Certificate, all the earnings and investment income from such investments shall remain in and become a part of said Construction Fund and be used for the purposes of the CBA Acquisition and Construction Fund.

Any moneys received by the County from the State or from the United States of America or any agencies thereof for the purpose of financing any part of the CBA Projects, may be deposited in the CBA Acquisition and Construction Fund and used in the same manner as the CBA Note proceeds are used therein; provided, however, that such moneys shall not be so deposited in the event and to the extent that the County has incurred debt or has effected an inter-fund loan in anticipation of the receipt of such moneys; and provided further, that separate accounts may be established in the CBA Acquisition and Construction Fund for moneys received pursuant to the provisions of this paragraph whenever required by federal or State regulations. Any moneys on deposit in the CBA Acquisition and Construction Fund are not Pledged Revenues.

Section 4. COVENANTS OF THE COUNTY. As long as the principal of or interest on the CBA Note shall be Outstanding and unpaid, the County covenants with the Owner of the CBA Note issued pursuant to this Resolution as follows:

A. Covenant to Budget and Appropriate. The County hereby covenants to appropriate in its annual budget, by amendment if required, in each Fiscal Year, Non-Ad Valorem Revenues sufficient to pay the principal of and interest on the CBA Note, as the same

become due and payable. Notwithstanding the foregoing, the County does not covenant to maintain any services or programs, now provided or maintained by the County, which generate Non-Ad Valorem Revenues.

To the extent that the County is in compliance with the covenant contained above and the covenants set forth in Paragraph E of this Section 4, and has budgeted and appropriated in each Fiscal Year Non-Ad Valorem Revenues sufficient to pay the principal of and interest on the CBA Note as the same become due and payable, this Resolution and the obligations of the County contained herein shall not be construed as a limitation on the ability of the County to pledge or covenant to pledge its Non-Ad Valorem Revenues for other legally permissible purposes.

Upon deposit of Non-Ad Valorem Revenues appropriated in each Fiscal Year into the Debt Service Fund, such Non-Ad Valorem Revenues shall become Pledged Revenues, and the Owner of the CBA Note shall have a first lien on such Pledged Revenues until the principal of and interest on the CBA Note shall be paid or deemed paid within the meaning of this Resolution.

With respect to any additional debt of the County payable from a covenant to budget and appropriate Non-Ad Valorem Revenues, the County shall create a separate debt service fund, separate and apart from the Debt Service Fund, to pay debt service on such additional debt. The Owner of the CBA Note shall have no lien on the Non-Ad Valorem Revenues on deposit in such other debt service fund and the owners of such additional debt shall have no lien on the money on deposit in the Debt Service Fund.

B. Tax Covenant.

1. In order to maintain the exclusion of the interest on the CBA Note from gross income for federal income tax purposes pursuant to Section 103(a) of the Code, and for no other purpose, the County covenants to comply with each applicable requirement of the Code. In furtherance of the covenant contained in the preceding sentence, the County agrees to comply with the provisions of the Tax Certificate executed by the County on the date of initial issuance and delivery of the CBA Note.

2. The County covenants that the County shall make any and all payments required to be made to the United States Department of the Treasury in connection with the CBA Note pursuant to Section 148(f) of the Code from legally available funds of the County.

3. Notwithstanding any other provision of this Resolution to the contrary, as long as necessary in order to maintain the exclusion of the interest on the CBA Note from gross income for federal income tax purposes, the covenants contained in this Section shall survive the payment of the CBA Note and the interest thereon, including any payment or discharge thereof pursuant to Section 4.H. of this Article III.

C. Establishment of the Debt Service Fund. There is hereby created and established with the Clerk: a Debt Service Fund. The Debt Service Fund shall constitute a trust fund for the benefit of the Owner of the CBA Note until so applied in accordance with the terms hereof.

D. Disposition of Pledged Revenues. The Clerk shall deposit the Non-Ad Valorem Revenues budgeted and appropriated into the Debt Service Fund at such times (but in no case later than the Business Day next preceding an Interest Payment Date) and in such

amounts as shall be sufficient to make full and timely payments of interest on the CBA Note, as the same become due and payable on each Interest Payment Date that the CBA Note is Outstanding and unpaid. Principal on the CBA Note shall be payable on the Maturity Date or on any earlier date if the CBA Note is prepaid prior to the Maturity Date or on a quarterly basis if the Term-Out Option has been implemented. The Clerk may invest the moneys on deposit in the Debt Service Fund in Permitted Investments to mature not later than such times as shall be necessary to pay debt service on the CBA Note (whether on the Maturity Date, by prepayment, or otherwise).

E. Additional Debt of the County Payable from Non-Ad Valorem Revenues.

In each Fiscal Year, the County will not issue non-self-supporting revenue debt of the County payable from its Non-Ad Valorem Revenues unless: (i) the total outstanding maximum annual non-self-supporting revenue debt service, including the non-self supporting revenue debt service on the debt proposed to be issued including the CBA Note (assuming the entire amount of CBA Note Outstanding and available to be drawn is drawn on such date, amortized in equal annual installments over the Term-Out Period, with an assumed interest rate equal to 125% of the current rate of interest), does not exceed fifty percent (50%) of the gross Non-Ad Valorem Revenues (all legally available Non-Ad Valorem Revenues of the County from whatever source including investment income) of the County received by the County in the immediately preceding Fiscal Year; (ii) the gross Non-Ad Valorem Revenues for the preceding Fiscal Year were at least 4.00 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues including the CBA Note (assuming the entire amount of CBA Note outstanding and available to be drawn is drawn on such date, amortized in equal annual installments over the Term-Out Period, with an assumed interest rate equal to 125% of

the current rate of interest), including the debt proposed to be issued, in the current and all future Fiscal Years, and (iii) the net available Non-Ad Valorem Revenues of the County for the preceding Fiscal Year were at least 1.10 times average annual debt service of all indebtedness of the County payable from its Non-Ad Valorem Revenues including the CBA Note (assuming the entire amount of CBA Note outstanding and available to be drawn is drawn on such date, amortized in equal annual installments over the Term-Out Period, with an assumed interest rate equal to 125% of the current rate of interest) including the debt proposed to be issued.

As used above, the term “non-self-supporting revenue debt” shall mean all revenue debt obligations in whatever form except such revenue debt obligations which are payable from a specific enterprise fund or are otherwise self-liquidating, and the term “net available Non-Ad Valorem Revenues” shall mean “gross Non-Ad Valorem Revenues,” as defined above, minus costs of operation and maintenance obligations of the County (except any such costs paid from ad valorem taxes) plus legally available unencumbered cash balances on hand at the end of the most recent Fiscal Year.

Except as provided above, for the purpose of calculating average annual debt service on any indebtedness which bears interest at a variable rate, such indebtedness shall be deemed to bear interest at the greater of (i) 1.25 times the most recently published Bond Buyer Revenue Bond 30-Year Index, or (ii) 1.25 times actual average interest rate during the prior Fiscal Year of the County. If such variable rate indebtedness is to be secured by the County’s covenant to budget and appropriate Non-Ad Valorem Revenues and in lieu of cash, any debt service reserve fund for such indebtedness is funded with a reserve surety or letter of credit, such indebtedness shall be deemed to bear interest at the maximum rate.

As used above, the term “maximum rate” means the maximum rate of interest such variable rate debt may bear at any particular time, which rate shall not exceed the rate of interest allowed under Florida law and will be determined by the County at the time such variable rate debt is issued.

The County covenants to comply with any other anti-dilution tests it is subject to in connection with the use of its Non-Ad Valorem Revenues.

The County hereby represents that it is in compliance with this Section 4.B.E. in connection with the issuance of the CBA Note assuming the issuance of a principal amount of \$40,000,000 was issued on the date hereof.

For purposes of this Section 4.B.E., the CBA Note is considered balloon debt, which means the principal of the CBA Note is not amortizing and is due and payable on the Maturity Date.

When calculating the maximum annual non-self-supporting revenue debt service with respect to non-self-supporting revenue debt or the average annual debt service with respect to debt payable from Non-Ad Valorem Revenues with respect to the CBA Note, it shall be assumed that the principal of the CBA Note or any other non-amortizing debt has a level 25-year principal amortization at the interest rates borne by the CBA Note or the interest rate or rates borne by such other non-amortizing debt.

F. Books and Records. The County will keep books and records of each Fiscal Year of the receipt of its Non-Ad Valorem Revenues in accordance with generally accepted accounting principles for government units, and the Owner of CBA Note issued pursuant to this Resolution shall have the right at all reasonable times to inspect the records, accounts and data of the County relating thereto.

The County covenants that within two hundred ten (210) days of the close of each Fiscal Year it will cause to be prepared and filed with the Clerk and mailed to the Owner a statement setting forth in respect of the preceding Fiscal Year:

1. the total amounts deposited to the credit of the Debt Service Fund created under the provisions of this Resolution;

2. the principal amount of the CBA Note paid; and

3. the amounts on deposit at the end of such Fiscal Year to the credit of the Debt Service Fund.

4. No Event of Default exists under the CBA Loan Agreement and no event has occurred that with the passage of time, the giving of notice or both, would constitute an Event of Default, or describing such Event of Default and the steps being taken to cure such Event of Default.

5. Except as set forth above, the County has performed all of its obligations under this Resolution and the CBA Loan Agreement, and all of the representations and warranties made by the County in this Resolution and the CBA Loan Agreement are true and correct as of the date hereof.

G. Remedies. In connection with the occurrence of any Event of Default described in the CBA Loan Agreement, the Owner the CBA Note or any trustee acting for such Owner in the manner hereinafter provided, may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution, the CBA

Loan Agreement or by any applicable statutes to be performed by the County or by any officer thereof.

The Owner of the CBA Note may by a duly executed certificate in writing appoint a trustee for the Owner of the CBA Note issued pursuant to this Resolution with authority to represent such Owner in any legal proceedings for the enforcement and protection of the rights of such Owner. Such certificate shall be executed by such Owner or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk.

Acceleration of the payment of principal of and interest on the CBA Note shall not be a remedy available to the Owner of the CBA Note, unless at any time the County grants an acceleration right in connection with any indebtedness payable from Non-Ad Valorem Revenues to any other owner of such indebtedness. If such acceleration right is granted to any other indebtedness payable from Non-Ad Valorem Revenues, the Owner shall have the same right of acceleration and the County agrees to execute such documents as are necessary to evidence such right. The County, however, agrees to pay interest on the CBA Note at the Default Rate established under the CBA Loan Agreement until such Event of Default shall have been cured.

ARTICLE IV
MISCELLANEOUS PROVISIONS

Section 1. MODIFICATION OR AMENDMENT. No modification or amendment of this Resolution or of any resolution amendatory thereof or supplemental thereto or of the CBA Loan Agreement, may be made without the consent in writing of the Owner of the CBA Note.

Section 2. SEVERABILITY OF INVALID PROVISIONS. 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, and shall in no way affect the validity of any of the other provisions of the Resolution or of the CBA Note issued hereunder.

Section 3. FURTHER AUTHORIZATIONS. The Chairperson of the Board, the Vice Chairperson, the Clerk, the County Administrator, the Financial Management Department Director, and any other authorized official of the County, are hereby authorized and directed to execute and deliver any and all documents and instruments, including but not limited to entering into a paying agent and registrar agreement if so required and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Resolution.

Section 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

**MANATEE COUNTY, a political
subdivision of the State of Florida**

By: its Board of County Commissioners

By: _____

Name: _____

Title: _____

Date: June 8, 2021

ATTEST: ANGELINA COLONNESO
CLERK OF THE CIRCUIT
COURT AND COMPTROLLER

By: _____
[Deputy] Clerk

EXHIBIT “A”

DESCRIPTION OF CBA PROJECTS

Projects related to transportation, public safety and park projects.

EXHIBIT "B"
FORM OF CBA LOAN AGREEMENT

57573720v9/016705.015600

RESOLUTION R-21-101

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS, MANATEE COUNTY, FLORIDA, DECLARING MANATEE COUNTY'S OFFICIAL INTENT TO SEEK REIMBURSEMENT FROM PROCEEDS OF DEBT OBLIGATIONS ISSUED IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$100,000,000 FOR CERTAIN PAST AND FUTURE CAPITAL EXPENDITURES FOR CAPITAL PROJECTS RELATING TO CONSTRUCTION OF VARIOUS GENERAL GOVERNMENT PROJECTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Manatee County, Florida (the "Board") has authorized certain capital projects contained in the General Government Capital Improvement Plan (herein, "Projects"); and

WHEREAS, Manatee County, Florida (the "County") proposes to issue debt obligations in one or more series from time to time (the "Bonds and Notes") to finance all or a portion of the costs of the Projects; and

WHEREAS, the County has incurred and anticipates that it will incur certain capital expenditures ("Capital Expenditures") relating to the Projects prior to the issuance of such Bonds and Notes; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code") and applicable regulations (the "Regulations") require the County to declare its official intent in connection with incurring certain Capital Expenditures in connection with the Projects prior to the issuance of the Bonds and Notes in order to allow the County to be reimbursed for such expenditures from a portion of the proceeds of the Bonds and Notes; and

WHEREAS, it is intended by the Board that this Resolution constitutes such official intent with respect to the reimbursement of the certain Capital Expenditures incurred or to be incurred prior to the closings of the Bonds and Notes; and

WHEREAS, such Capital Expenditures incurred for a portion of the Projects were paid or will initially be paid from revenues of the General Fund of the County prior to its intended reimbursement from the proceeds of the Bonds; and

WHEREAS, only the Capital Expenditures incurred by the County or to be incurred subsequent to a period commencing sixty (60) days prior to the date of adoption of this Resolution and ending prior to the later of eighteen (18) months of the date such Capital Expenditures are placed in service or three (3) years after the date the Capital Expenditures were made.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA:

Section 1: The recitals set forth above are adopted by the Board as the findings of the County and are incorporated herein.

Section 2: The statements contained in this Resolution with respect to the reimbursement of the Capital Expenditures referred to in this Resolution are intended to be statements of official intent as required by, and in conformance with, the provisions of Section 1.150-2(e) of the Regulations of the Code.

Section 3: The Capital Expenditures shown in Addendum 1 to be reimbursed pursuant to this Resolution will be incurred prior and subsequent to the date hereof, provided that the earliest date is not more than sixty (60) days prior to the date of adoption of this Resolution.

Section 4: The maximum principal amount of the Bonds and Notes that may be issued for the Projects is approximately \$100,000,000. Such Bonds and Notes are to be secured by either a pledge of non-ad valorem revenues or covenant to budget such non-ad valorem revenues.

Section 5: The County reasonably expects to reimburse the expenditures contemplated under this Resolution with a portion of the proceeds of the Bonds and Notes of the County subsequent to the date hereof, and no funds from sources other than the “reimbursement bond issue” (as such term has the meaning assigned to it under the Regulations) portion of the Bonds and Notes are, or are reasonably expected to be reserved, allocated on a long term basis, or otherwise set aside by the County pursuant to the County’s budget or financial policies to pay for such expenditures.

Section 6: The County will, upon receipt of the proceeds of the Bonds and Notes (or within 30 days thereof), allocate in writing the amount of proceeds of the Bonds and Notes (i.e., the reimbursement bond issue) used to reimburse the prior capital expenditures incurred in connection with the Projects (herein, the “Prior Expenditures”). Such allocation will be accomplished within the later of 18 months from the earliest date such Prior Expenditures were incurred or the dates the applicable Projects are placed in service (but in no event later than 5 years after the first Prior Expenditures were made).

Section 7: This Resolution shall take effect immediately upon adoption.

ADOPTED with a quorum present and voting this the 8th day of June, 2021.

Attested:

**ANGELINA COLONNESO
CLERK OF THE CIRCUIT COURT**

By: _____
Deputy Clerk

**BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY, FLORIDA**

By: _____
Chairperson

RESOLUTION B-21-094
 AMENDING THE ANNUAL BUDGET
 FOR MANATEE COUNTY, FLORIDA
 FOR FISCAL YEAR 2021

WHEREAS, Florida Statutes 129.06, authorizes the Board of County Commissioners to amend its budget for the current fiscal year as follows:

- a) Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased, provided the total appropriations of the fund are not changed.
- b) Appropriations from reserves may be made to increase the appropriation for any particular expense in the same fund, or to create an appropriation in the fund for any lawful purpose.
- c) Unanticipated revenues, including increased receipts for enterprise or proprietary funds, may be appropriated for their intended purpose, and may be transferred between funds to properly account for the unanticipated revenue.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Manatee County, Florida that the 2020-2021 budget is hereby amended in accordance with FS 129.06 as described in the description and specified in the budget adjustment batch file listed below:

Department: FINANCIAL MANAGEMENT
 Department: PUBLIC WORKS & TRANSIT
 Fund: REVENUE IMPROVEMENT NOTES CAPITAL PROJECTS, SERIES 2021
 Description: Appropriates \$40,000,000 loan proceeds from the issuance of the County's Revenue Improvement Notes, Series 2021. The first draw of loan proceeds will be used for the projects listed below in the amount \$4,839,500, and the remaining loan proceeds in the amount of \$35,071,100 will be placed in reserves for projects already earmarked in the recommended FY22-26 CIP and \$89,400 will be used for cost of issuance (COI). The Notes are expected to be repaid in 2-3 years, with a new bond issuance, with monthly interest payments calculated at a variable rate. This budget amendment is being presented for approval to the Board with the Note agreement and Resolution R-21-099, with recommendation from the Financial Advisor and Bond Counsel with an expected closing date of June 11, 2021.

<u>Project #</u>	<u>Project Description</u>	<u>Amount</u>
6071262	Moccasin Wallow Rd – Segment 2 & 3	\$ 1,500,000
6107560	Lena Road - South of 44th Ave E to Landfill Rd	500,000
6107660	Lorraine Road - SR 64 to 59th Ave E	500,000
6107760	Upper Manatee River Rd N of SR 64 to Fort Hamer Bridge	500,000
6107860	63rd Ave E - US 301 to Tuttle Ave	500,000
6107960	Lockwood Ridge Rd Rebase and Resurf - 56th Ave Ter E - Univ Parkway	195,000
6108060	9th Street East - US 301 to SR 64 Rebase and Resurfacing	51,000
6108160	53rd Ave W - 14th St W - 43rd St W	93,500
6108260	75th St - 20th Ave W to Manatee Ave	500,000
6108360	59th St W from Cortez to Manatee Ave	500,000
		Total \$ 4,839,500

This budget amendment adjusts the FY21-25 CIP.

Batch ID: CC51521A

Reference: BU21000344

ADOPTED IN OPEN SESSION WITH A QUORUM PRESENT AND VOTING THIS _____ DAY OF _____, 2021.

BOARD OF COUNTY COMMISSIONERS
 MANATEE COUNTY, FLORIDA

By: _____
 Chairman

ATTEST: Angelina Colonnese
 Clerk of Circuit Court

By: _____
 Deputy Clerk

May 27, 2021

The Honorable Chair and
 Board of County Commissioners
 Manatee County, Florida
 1112 Manatee Avenue
 Bradenton, Florida 34205

RE: Covenant to Budget and Appropriate Line of Credit

Ladies and Gentlemen:

Public Resources Advisory Group (“PRAG”) is serving as Financial Advisor in connection with the County’s establishment of a two-year \$40 million non-revolving Line of Credit to finance various transportation, public safety, and parks related capital improvements throughout the County (the “CBA Line”). The CBA Line is separate and distinct from the Line of Credit to be used to fund projects under the Infrastructure Sales Tax.

The CBA Line will be secured by the County’s covenant to budget and appropriate from legally available Non-Ad Valorem revenues.

At the direction of the Board and working with the Financial Management Department, PRAG developed and released a request for proposals for the CBA Line to national and regional banks who traditionally offer governmental lines of credit. The County received proposals from Bank of America, PNC Bank, Regions Bank and Wells Fargo.

Because the draw provisions for lines of credit are flexible, lines of credit carry a variable interest rate. In addition, many banks require an “unused fee” on the undrawn portion of the line to reflect the capital charges incurred for the line of credit commitment. The net cost to the County for a line of credit is uncertain and depends on the amount and timing of the draws, the variable interest rate and any unused fee. For the purposes of the RFP and the analysis of the proposals, PRAG used the estimated draw schedule shown to the right developed by the Financial Management Department.

The four proposals for the CBA Line are summarized as Exhibit A. As requested, all four banks provided a proposal for a two-year term and a three-year term. In all cases, the interest rate was lower for the two-year term. Given the Board’s desire to issue long term bonds to take out the CBA Line while rates remain low, PRAG recommended, and County staff concurred to utilize the lower two-year pricing. Of the four proposals, PNC Bank offered the lowest interest rate at 79% of One Month Libor plus 0.21% with no unused fee. PRAG found the terms of the PNC

Estimated Draw Schedule Used in RFP	
Draw Date	Draw Amount
Line Closing	\$3.34MM
9/1/21	2.50MM
10/1/21	5.17MM
1/1/22	5.17MM
4/1/22	5.17MM
7/1/22	5.17MM
10/1/22	4.14MM
1/1/23	4.14MM
4/1/23	4.14MM
6/1/23	1.06MM
Total	\$40.00MM



proposal acceptable and recommends acceptance of their proposal by the County as documented in the attached Resolution, Loan Agreement and Note.

The major terms of the CBA Line are as follows:

Facility:	Tax-Exempt Non-Revolving Line of Credit
Amount:	Up to \$40,000,000
Use of Proceeds:	General governmental projects
Closing:	Scheduled for June 11, 2021
Term:	Two Years from Closing (estimated June 11, 2023)
Interest Due:	Monthly
Principal Due:	At Maturity
Prepayment Option:	May be prepaid at any time without premium or penalty
Interest Rate Calculation:	0.79% of One Month LIBOR plus 0.21%. The interest rate is subject to increase upon an event of taxability due to the action or inaction of the County or an event of default. Interest is calculated and paid monthly.
Current Indicative Rate:	0.29% with One Month LIBOR at 0.10%
Unused Fee:	None
Draw Frequency:	Once per month
Draw Amounts:	Minimum of \$100,000
Expected Repayment:	Issuance of Long-term Bonds
Term Out Feature:	At maturity, the CBA Line may be repaid over a three year period with quarterly principal and interest payments at a significantly higher rate. This feature provides some flexibility to the County if market conditions at the maturity of the CBA Line do not allow the issuance of refunding bonds, but is not envisioned to be a long-term repayment option.

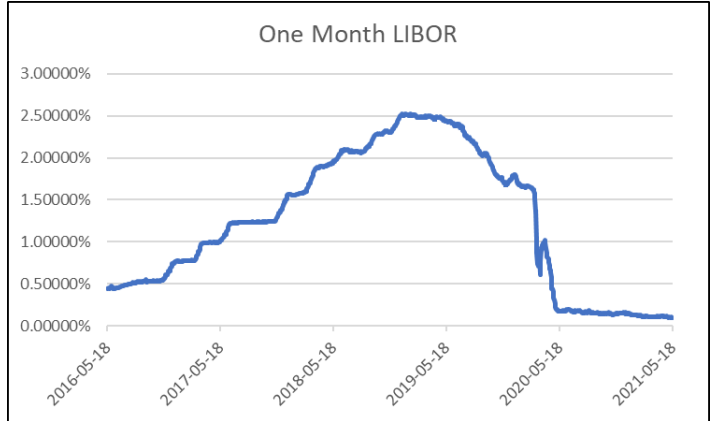
As with any borrowing, the County will have to maintain certain covenants and will be subject to standard Events of Default. As detailed in the Resolution, the highlights of the major events of default include:

- Failure to pay debt service on the CBA Line;
- Failure to observe and perform any other covenant, condition or agreement contained in the Loan Agreement or Resolution;
- Making of any false, incorrect, or misleading statement, representation or warranty;
- Default on other obligations in excess of \$250,000;



- The County admits its inability to pay its debt as they become due or enters bankruptcy;
- Appointment of a receiver, trustee, custodian or liquidator for all or a substantial part of the assets of the County; and,
- A reduction in the County’s credit rating below Baa3/BBB-.

The actual One Month LIBOR yields for the past five years are shown to the right. LIBOR is a taxable rate, therefore the Bank is proposing that the index be based on 79% of LIBOR, reflecting the Bank’s maximum corporate tax rate of 21% to create a tax-exempt index. The 21 basis point credit spread is then added to calculate the monthly interest rate.




One additional aspect that the Board should be aware of is that the CBA Line will be a LIBOR-based line and all U.S. LIBOR rates are scheduled to be terminated on June 30, 2023. The CBA Line is scheduled to mature before that date and the Loan Agreement has “fall back language” that describes the interest rate calculation should LIBOR not be available. Given the expected maturity prior to June 30, 2023, the fall back language, and the County’s ability to repay the line at any time, we think the use of LIBOR as an index is reasonable for this facility.

As previously stated, PRAG recommends the acceptance of PNC Bank’s proposal and the approval of the Resolution for the CBA Line.

Sincerely,

PUBLIC RESOURCES ADVISORY GROUP


 Wendell Gaertner
 Senior Managing Director