

**RESOLUTION R-97-86**

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, DECLARING MANATEE COUNTY'S OFFICIAL INTENT TO SEEK REIMBURSEMENT ON BEHALF OF MADER ELECTRIC, INC. (THE "BORROWER") FOR CERTAIN CAPITAL EXPENDITURES TO BE MADE BY THE BORROWER WITH RESPECT TO THE ACQUISITION OF AN APPROXIMATELY 7 ACRE SITE AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN MANUFACTURING FACILITIES TO BE OPERATED BY THE BORROWER FROM THE PROCEEDS OF THE COUNTY'S NOT TO EXCEED \$3,000,000 INDUSTRIAL DEVELOPMENT REVENUE BONDS (MADER ELECTRIC, INC. PROJECT); APPROVING THE ISSUANCE OF SUCH BONDS WITHIN THE MEANING OF SECTION 147(D) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A GOOD FAITH DEPOSIT AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, Mader Electric, Inc., a Florida corporation (herein, the "Borrower") is engaged in the business of manufacturing and rebuilding electric motors and pumps, the manufacturing of control panels for utilities and industry and the manufacturing of computerized control systems for automated packaging and assembly systems; and

WHEREAS, the Borrower proposes to acquire an approximately 7 acre site located on the West side of 15<sup>th</sup> Street, approximately 1/2 mile North of Tallevast Road in Manatee County, Florida (the "County"); and

WHEREAS, the Borrower proposes to acquire, construct and equip a new 30,000 square feet building on such site to be used in its aforementioned operations (herein such acquisition, construction and equipping are collectively referred to as, the "Project"); and

WHEREAS, pursuant to the provisions of the Florida Constitution, Part II of Chapter 159, Florida Statutes, as amended and supplemented, and other applicable provisions of law (the "Act") and the policies of the County, the Borrower has submitted an application (the "Application") to the County requesting that the County issue, pursuant to the provisions of the Act, industrial development revenue bonds to finance all or a portion of the costs of the Project; and

**WHEREAS**, County staff having found the Borrower's Application meeting the necessary requirements for the County to consider the issuance of industrial development revenue bonds to finance the Project, the Board of County Commissioners of Manatee County, Florida, the governing body of the County (herein, the "Board") hereby determines to adopt this Resolution at the request of the Borrower as a declaration of official intent by the County to issue, in one or more series, its Industrial Development Revenue Bonds (Mader Electric, Inc. Project) in the initial aggregate principal amount of not exceeding \$3,000,000 (the "Bonds") to finance all or a portion of the costs of the Project pursuant to the limitations and conditions set forth in this Resolution; and

**WHEREAS**, it is intended by the County that the interest on the Bonds will be excludable from gross income for federal income tax purposes; and

**WHEREAS**, there was published, at least fourteen (14) days prior to the Public Hearing (as herein defined), proof of such publication being attached hereto as Exhibit A; and

**WHEREAS**, on this date the Board held a public hearing (the "Public Hearing") regarding the proposed financing of the Project through the issuance of the Bonds, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, it is intended that this Resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code; and

**WHEREAS**, the Board adopts this Resolution with the understanding that the action taken by this Resolution does not constitute approval of the Project and is not an absolute commitment by the County to issue the Bonds and that approval of the Project will be effected in accordance with applicable law and regulations and that financial terms, security for the repayment of the Bonds, restrictions on transferability and other matters will be determined and/or approved by subsequent proceedings of the Board and by other appropriate regulatory bodies as may be required by applicable law and regulations; and

**WHEREAS**, the County has been informed by the Borrower that it anticipates that it has and will incur certain capital expenditures relating to the Project prior to the issuance of the Bonds by the County; and

**WHEREAS**, such expenditures will be paid from the Borrower's own moneys; and

**WHEREAS**, the Code and applicable regulations (the "Regulations") require the County to declare its official intent in connection with the Borrower incurring certain capital expenditures in connection with the Project prior to the issuance of the Bonds in order to allow the Borrower to be reimbursed for such expenditures from a portion of the proceeds of the Bonds when and if such Bonds are issued; and

**WHEREAS**, it is intended by the Board that this Resolution constitutes such official intent with respect to the reimbursement, from proceeds of the Bonds, of those certain capital expenditures incurred or to be incurred by the Borrower prior to the issuance of the Bonds.

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

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

**SECTION 2.** That the issuance of the Bonds is hereby approved within the meaning of Section 147(f) of the Code.

**SECTION 3.** That the Chairman or, in his absence, the Vice-Chairman, or, in the absence of the Vice-Chairman, any other member of the Board, is hereby authorized to execute the appropriate form or forms necessary to seek a private activity bond allocation from the State of Florida Division of Bond Finance on behalf of the Borrower in connection with the issuance of the Bonds.

**SECTION 4.** 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.

**SECTION 5.** The capital expenditures to be reimbursed pursuant to this Resolution have been and will be incurred after the date 60 days before the date of this Resolution in connection with the Project.

**SECTION 6.** The maximum principal amount of Bonds expected to be issued for the Project is \$3,000,000, and such Bonds shall be secured by a letter of credit from an investment-grade rated bank and by a mortgage on the facility.

**SECTION 7.** With a portion of the proceeds of the Bonds, the County reasonably expects to reimburse the Borrower the expenditures contemplated under this Resolution 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 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 8.** The County will direct the Borrower, upon receipt of the proceeds of the Bonds (or within 30 days thereafter), to allocate in writing the amount of proceeds of the Bonds (i.e., the reimbursement bond issue) used to reimburse the prior capital expenditures incurred in connection with the Project (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 date the Project is placed in service (but in no event later than 3 years after the Prior Expenditures were made).

**SECTION 9.** The terms of this Resolution shall not constitute approval of the Project or authorization for the County to issue the Bonds; such approval and authorization shall be considered by the Board by subsequent proceedings and by other appropriate regulatory bodies as required by applicable law and regulations. The adoption of this Resolution does not in any way entitle or create any rights in or for Borrower. Consideration with respect to all subsequent approvals of the Project will be taken without regard to the adoption of this Resolution and will be governed solely by applicable law and regulations.

**SECTION 10.** Attached hereto as Exhibit B is the form of Good Faith Deposit Agreement to be entered into by and between the County and the Borrower (the "Agreement"). The Borrower's agreement to enter into and perform under the Agreement shall be a condition precedent for the County Attorney and Bond Counsel to take any actions with respect to the financing of the Project. The Agreement, in substantially the form attached hereto as Exhibit B is hereby approved. The Clerk of the Board, or his designee, is hereby authorized to execute and deliver the Agreement, the execution thereof by the County being conclusive evidence of the approval of the final form of such Agreement.

**SECTION 11.** This Resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED in regular session on this 6<sup>th</sup> day of May, 1997.

BOARD OF COUNTY COMMISSIONERS  
OF MANATEE COUNTY, FLORIDA

Attest:

BY: *[Signature]*  
Clerk of the Board of  
County Commissioners of  
Manatee County, Florida

By: *Patsia M. Blum* 5/6/97  
Title: *Chairman*

WPB/SANFORDS/154636/3ev401 DOC/3-05/97/16709 010000

102 MANATEE AVE. WEST, P.O. BOX 821  
BRADENTON, FLORIDA 34208  
TELEPHONE (813) 749-0411

Bradenton Herald  
Published Daily  
Bradenton, Manatee, Florida

STATE OF FLORIDA  
COUNTY OF MANATEE:

Before the undersigned authority personally appeared Jill Headings, who on oath says that she is Legal Advertising Representative of the Bradenton Herald, a daily newspaper published at Bradenton in Manatee County, Florida; that the attached copy of the advertisement, being a Legal Advertisement in the matter of

Notice of Public Hearing

\_\_\_\_\_ in the \_\_\_\_\_ Court,

was published in said newspaper in the issues of  
4/22/97

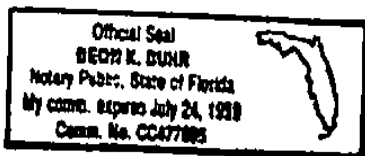
Affiant further says that the said publication is a newspaper published at Bradenton, in said Manatee County, Florida, and that the said newspaper has heretofore been continuously published in said Manatee County, Florida, each day and has been entered as second-class mail matter at the post office in Bradenton, in said Manatee County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Jill Headings  
(Signature of Affiant)

Sworn to and subscribed before me this

23 day of April, 1997

Nancy K. Buder  
SEAL & Notary Public



4705

Personally Known \_\_\_\_\_ or Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

**NOTICE OF PUBLIC HEARING BY MANATEE COUNTY, FLORIDA**  
NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Manatee County, Florida (the "County") will conduct a public hearing of 1:00 P.M. or 2:00 P.M. thereafter at the same time as heard, on May 6, 1997 concerning the proposed issuance in one or more series, by the County of up to \$3,800,000 of its Industrial Development Revenue Bonds (Mader Electric, Inc. Project) (herein the "Bonds"). The proceeds of the Bonds will be used to finance the acquisition of an approximately 7 acre site and the cost of the acquisition, construction and installation of a new facility totaling approximately 30,000 square feet (the "Project") to be owned and operated by Mader Electric, Inc. ("Mader"). Mader is a Florida corporation engaged in the business of manufacturing and rebuilding electric motors and pumps, the manufacturing of control panels for utilities and other industries and the manufacturing of computerized control systems for automated packaging and assembly systems. Mader will be the initial owner and operator of the Project which will be located in the unincorporated area of the County on an approximately 7 acre parcel of land bordering the West side of 15th Street, approximately 1/2 mile North of Yulee Road, located within an approximately 20 acre tract of land with 15th Street to the East, Commercial Avenue to the West, Emerald Court to the North, and Commerce Blvd. to the South. The Bonds will be subject limited obligations of the County payable solely from the revenues received by Mader and pledged to the County of its voters. The Bonds will also be secured by a letter of credit from an investment-grade rated bank and by a mortgage on the facility. The public hearing will be held at the following time and location:

**TIME/LOCATION**  
1:00 P.M. May 6, 1997/Manatee County Administrative Center, 1115 Manatee Avenue West, Bradenton, Florida 34205 - COMMISSION CHAMBERS-FIRST FLOOR  
The Bonds will not constitute an indebtedness of the County, the State of Florida (the "State") or any political subdivision of the State within the meaning of any constitutional or statutory debt limitation or restriction. The Bonds shall not constitute a moral obligation of the County or a charge against its general credit. The County of the Bonds will never have the right to compel the execution of the ad valorem tax liability of the County for the payment of the Bonds. No property of the County, the State or any political subdivision thereof will be pledged for the payment of the Bonds. At such meeting, persons will be given an opportunity to express their views, both orally and through written statements which are submitted to the County on or before the public hearing. For further information regarding the proposed issuance of the Bonds, contact Mr. James W. Seidler, Director of Financial Management for the County, at (813) 749-2732. For further information regarding Mader, contact Charles A. Seach, Mader's financial officer at (813) 441-8145. Should any person decide to appeal any decision made by the County, he or she will need a record of the proceedings and may need to enforce that a verbatim record of the proceedings is made, which record must include testimony and evidence upon which the appeal may be based. This Notice is attached pursuant to the requirements of Section 107(1) of the Internal Revenue Code of 1984, as amended, and Treasury Regulations Section 6.107-2. Manatee County, Florida  
By: James W. Seidler  
Director of Financial Management  
Pub. Bradenton Herald  
April 22, 1997  
47212

EXHIBIT 2

## GOOD FAITH DEPOSIT AGREEMENT

This Good Faith Deposit Agreement (the "Agreement") is made and entered into as of May \_\_\_\_, 1997, by and between Manatee County, Florida, a political subdivision of the State of Florida, acting as escrow agent (the "County") and Mader Electric, Inc., a Florida corporation (the "Company").

WHEREAS, the Company has heretofore submitted application materials to the County requesting that the County issue industrial development revenue bonds, in one or more series, in an amount not to exceed \$3,000,000 (the "Bonds") for the purpose of financing the costs of acquiring, constructing, and equipping a facility in the unincorporated area of Manatee County, Florida to be used by the Company for the manufacturing and rebuilding of electric motors and pumps, the manufacturing of control panels for utilities and industry and the manufacturing of computerized control systems for automated packaging and assembly systems (herein the "Project");

WHEREAS, the Company will be the owner and operator of the Project, all or a portion of which will be financed with the proceeds of the Bonds;

WHEREAS, the Company recognizes that the preparation of all the various documents necessary for the closing of the Bonds will commence upon receipt of a signed commitment letter from a bank for a letter of credit, as well as authorization from the Company;

WHEREAS, the Company also recognizes that the County Attorney and Greenberg Traurig Hoffman Lipoff Rosen & Quentel, P.A., the County's bond counsel ("Bond Counsel") will incur and pay out-of-pocket fees, costs and expenses in connection with the preparation of such documents;

WHEREAS, as a condition for the County to proceed with the financing, including the work to be performed by the County Attorney and Bond Counsel, an amount equal to Thirty Thousand Dollars (\$30,000) (the "Good Faith Deposit") shall be required to be deposited with the County to be held in escrow as described below; and

WHEREAS, it is recognized by the parties hereto that in addition to this Agreement and the Good Faith Deposit, the Company and Bond Counsel will enter into an engagement letter as further evidence of the Company's intent to pay the reasonable fees and expenses of Bond Counsel (herein, the "Engagement Letter").

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, it is agreed by and between the Company and County, as escrow agent, as follows:

1. **Good Faith Commitment.** The Company hereby announces its good faith intention to proceed with said Bond issue(s) and commits itself to obtaining all the necessary information, reports and other documents reasonably necessary for presentation to the County or Bond Counsel in order that all of the various documents may be prepared for the anticipated issuance of said Bonds and the closing of said Bond issue(s). The Company hereby agrees to deliver or pay to the County, as escrow agent, on the date this Agreement is executed by the Company or as soon thereafter as practicable, but in no case later than ten (10) business days from the date of execution, one of the two forms of security set forth in the paragraph hereof entitled "Good Faith Deposit" to be held and administered by the County, as escrow agent, pursuant to the provisions of paragraph 3 hereof entitled "Escrow Arrangement", as further evidence of the good faith commitment of the Company to proceed with said Bond issue(s).

2. **Good Faith Deposit.** The Good Faith Deposit to be delivered or paid to the County, as escrow agent, in accordance with the foregoing paragraph entitled "Good Faith Commitment" shall be in one of the following forms:

A. Thirty Thousand Dollars (\$30,000) by check or draft payable to the order of the County, as escrow agent, to be deposited by the County in the County's pooled cash account. Only the County, as escrow agent, shall be authorized to draw upon or withdraw from said account, and said deposit, together with accrued interest thereon, if any, shall be used solely for the purposes set forth in paragraph 3 entitled "Escrow Arrangement". Any unpaid deposit, including accrued interest, if any, remaining on hand in said account after completing all transactions pursuant to this Agreement shall be refunded or paid to the Company. The County shall be liable to the Company for any damages, losses or expenses it sustains in the event of wrongful withdrawal by the County of funds from said account in breach of the terms hereof.

B. An unqualified letter of credit to the County, as escrow agent, in the amount of \$30,000 (the "Letter of Credit") by a bank organized and existing under the laws of the United States of America authorizing and entitling an authorized officer of the County, as escrow agent, to draw against said Letter of Credit for the purposes set forth in the following paragraph entitled "Escrow Arrangement". Such letter of credit must give the County the ability to draw on the letter of credit within a 75 mile radius of Bradenton, Florida and have an expiration date which is at least one (1) year from its dated date. The Letter of Credit shall be in a form satisfactory to the County Attorney and Bond Counsel and, upon the completion of all transactions pursuant to said escrow arrangement, the County, as escrow agent, shall deliver the Letter of Credit to the issuer of the Letter of Credit or the Company, as so directed. If the Letter of Credit by its own terms is about to expire and the Company has not extended or replaced such Letter of Credit, the County shall be entitled to draw the full amount of the Letter of Credit and hold the proceeds therefrom pursuant to the provisions of paragraph A above.

3. **Escrow Arrangement.** The County, as escrow agent, upon receipt of one of the two forms of security hereinabove set forth in paragraph 2 entitled "Good Faith Deposit" shall

hold said security in escrow for the purpose of paying actual and reasonable fees, costs and out-of-pocket expenses incurred by the County Attorney and Bond Counsel rendered in connection with the preparation of all the various documents necessary for the issuance of said Bonds and the closing of said Bond issue(s) when such fees, costs and expenses are not paid directly by the Company or from the proceeds of the Bonds.

In the event the Company causes the Bond issue(s) to be abandoned, terminated or withdrawn from consideration prior to the issuance of the Bonds, including but not limited to termination by reason that private activity bond allocation is not available from the Florida Division of Bond Finance, then and in that event the County, as escrow agent, shall, unless paid directly by the Company, cause to be paid from said Good Faith Deposit all of the aforementioned fees, costs and expenses incurred by the County Attorney and Bond Counsel prior to the time of cancellation by the Company. Any remaining unused portion of said Good Faith Deposit (including any accrued interest thereon) shall be paid to the Company. The County shall provide the Company with an accounting of all such fees, costs and expenses at the time the same are paid from the Escrow.

In the event the Bonds are issued, then and in that event the Company shall have the option of electing either to have all of the fees, costs and expenses incurred by the County Attorney and Bond Counsel in connection with said Bond issue and not paid from the proceeds of the Bonds paid by the County, as escrow agent, from the Good Faith Deposit with the balance thereof paid from the Company's own funds, or in the alternative, have all of said fees, costs and expenses paid from the Company's own funds and from the proceeds of the Bonds and have the County, as escrow agent, discharge, release, refund or pay all of said Good Faith Deposit directly to the Company.

**4. Miscellaneous.**

A. The Company agrees to reimburse the County for any reasonable costs it may incur for setting up and maintaining the Good Faith Deposit in the aforementioned account. The County may first apply accrued interest, if any, to defray such costs.

B. If the County Attorney's and Bond Counsel's fees and expenses incurred in connection with the issuance of the Bonds have been paid from the Good Faith Deposit or from funds of the Company or from the proceeds of the Bonds, the \$5,000 deposited by the Company at the time of initial application or such portion thereof shall be returned to the Company as soon as practicable after the Closing.

C. The Company acknowledges that it shall be responsible for all fees and expenses incurred by the County Attorney and Bond Counsel in connection with the scope of services contemplated by this Agreement and the Engagement Letter. It is understood by the parties hereto that the actual fees and expenses of Bond Counsel and the County Attorney may exceed the amount of the Good Faith Deposit.



D. The execution of this Agreement by the County shall not constitute approval of the Project or authorization for the County to issue the Bonds; such approval and authorization shall be considered by the Board of County Commissioners of Manatee County, by subsequent proceedings and by other appropriate regulatory bodies as required by applicable law and regulations. The execution of this Agreement by the County does not in any way entitle or create any rights in or for the Company. Consideration with respect to all subsequent approvals of the Project will be taken without regard to the execution of this Agreement by the County and will be governed solely by applicable law and regulations.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed in duplicate this \_\_\_ day of May, 1997.

MANATEE COUNTY, FLORIDA,  
as Escrow Agent

By: \_\_\_\_\_  
Clerk of the Board of  
County Commissioners

MADER ELECTRIC, INC.,  
a Florida corporation

[SEAL]

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