

RESOLUTION NO. 23-96

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, DECLARING THE OFFICIAL INTENT OF THE CITY OF FORT LAUDERDALE, FLORIDA TO REIMBURSE ITSELF FOR CERTAIN CAPITAL EXPENDITURES FOR WATER AND SEWER IMPROVEMENTS BY INCURRING DEBT; PROVIDING FOR THE MAXIMUM PRINCIPAL AMOUNT OF SUCH DEBT AND THE NATURE OF PROJECT COSTS; AUTHORIZING INCIDENTAL ACTION; AND PROVIDING FOR AN EFFECTIVE DATE AND RESCISSION OF PRIOR INCONSISTENT RESOLUTIONS.

WHEREAS, the City of Fort Lauderdale, Florida (the "City") currently owns and operates water and sewer facilities for public, domestic and commercial purposes in the City (the "Water and Sewer System"); and

WHEREAS, the City expects to incur significant costs for the development, design, acquisition, construction, extension, improvement, equipping and furnishing of water and sewer improvements within the City, including, without limitation, a new water treatment plant and related enabling works (collectively, the "Project"), to be owned by the City, and operated by the City or a project company selected by the City pursuant to a qualified management agreement; and

WHEREAS, the City has determined that it intends to finance the cost of the Project with the proceeds of obligations to be issued from time to time, in one or more series, the interest on which is excludable from gross income for federal income tax purposes (the "Tax-Exempt Bonds"); and

WHEREAS, no costs of the Project were paid more than 60 days prior to the date of this Resolution, other than preliminary expenditures (not exceeding 20% of the aggregate issue price of the Tax-Exempt Bonds issued to finance the Project), provided that such preliminary expenditures shall not include costs of land acquisition or site preparation or other costs of construction or acquisition of the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA THAT:

SECTION 1. DECLARATION OF OFFICIAL INTENT TO FINANCE CAPITAL EXPENDITURES; MAXIMUM AUTHORIZED DEBT. The City hereby declares its intention and reasonable expectation to use proceeds of Tax-Exempt Bonds (the "Reimbursement Bonds") to reimburse the City for expenditures for costs of the Project, such Reimbursement Bonds to be issued from time to time, in one or more series, in compliance with Resolution No. 03-29 adopted by the City Commission of the City on February 18, 2003 (the "Bond Resolution"), subject to such terms and conditions as the City shall approve by subsequent resolution or resolutions, and to be payable from and secured from the Net Revenues (as defined in the Bond Resolution) of the Water and Sewer System. As of the date hereof, the City is declaring its current intention to issue Tax-Exempt Bonds to finance the Project, including Reimbursement Bonds, in an amount not to exceed \$525,000,000.

SECTION 2. NATURE OF PROJECT COSTS; REIMBURSEMENT PERIOD. The City will certify that costs of the Project expected to be reimbursed consist entirely of capital expenditures or costs of issuance of Tax-Exempt Bonds, and no cost of the Project to be reimbursed with the proceeds of the Reimbursement Bonds is a cost of working capital. The City will certify that any reimbursement with proceeds of the Reimbursement Bonds will be made by the later of 18-months after the payment of the cost or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid.

SECTION 3. NO REPLACEMENT PROCEEDS. The City will certify that it will not, at any time within one year after any allocation of proceeds of the Reimbursement Bonds to reimburse any expenditure, use the reimbursed funds to create a sinking fund for any issue of Tax-Exempt Bonds to otherwise replace the proceeds of any issue of Tax-Exempt Bonds.

SECTION 4. INCIDENTAL ACTION. The City Manager, the City Finance Director, the City Attorney or the Interim City Attorney of the City and other appropriate officers of the City are hereby authorized and directed to take or approve the taking of such actions as may be necessary or appropriate on its part in order to preserve the ability of the City to finance its capital expenditures for the Project in accordance with the applicable federal tax regulations and this Resolution.

SECTION 5. EFFECTIVE DATE; RESCISSION. This Resolution shall take effect immediately upon adoption. All prior resolutions or portions thereof inconsistent herewith are hereby rescinded.

ADOPTED this 16th day of May, 2023.



Mayor
DEAN J. TRANTALIS

ATTEST:



City Clerk
DAVID R. SOLOMAN

APPROVED AS TO FORM:



Interim City Attorney
D'WAYNE M. SPENCE

Dean J. Trantalis	<u>Yea</u>
John C. Herbst	<u>Yea</u>
Steven Glassman	<u>Yea</u>
Pamela Beasley-Pittman	<u>Yea</u>
Warren Sturman	<u>Yea</u>