

RESOLUTION NO. 2020-231

A RESOLUTION SUPPLEMENTING RESOLUTION NO. 93-27, AS AMENDED AND SUPPLEMENTED OF THE CITY COUNCIL OF THE CITY OF COCOA, FLORIDA; AUTHORIZING AND APPROVING THE NEGOTIATED SALE OF NOT TO EXCEED \$13,781,000 IN PRINCIPAL AMOUNT OF ITS WATER AND SEWER SYSTEM REVENUE BOND FOR THE PURPOSE OF PAYING IN FULL ALL OF THE CITY'S OUTSTANDING STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION LOANS, AS DESCRIBED HEREIN; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT; PLEDGING PLEDGED REVENUES TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BOND IN THE MANNER AND TO THE EXTENT PROVIDED IN RESOLUTION NO. 93-27, AS AMENDED AND SUPPLEMENTED; PROVIDING CERTAIN TERMS AND DETAILS OF SUCH BOND, INCLUDING THE NEGOTIATED SALE OF SAID BOND TO STI INSTITUTIONAL AND GOVERNMENT, INC; PROHIBITING CERTAIN PAYMENTS ON THE SERIES 2020 BOND FROM THE PLEDGED REVENUES; DESIGNATING THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. AS REGISTRAR AND PAYING AGENT FOR THE BOND; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BOND; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

WHEREAS, the City Council (the "City Council") of the City of Cocoa, Florida (the "City"), duly adopted Resolution No. 93-27, on August 18, 1993, as amended and supplemented (the "Master Resolution"), which authorized the issuance of obligations of the City entitled City of Cocoa, Florida Water and Sewer System Revenue Bonds; and

WHEREAS, the City has previously issued its Water and Sewer System Taxable Refunding Revenue Bond, Series 2018A-2 (the "Series 2018A-2 Bond"), its Water and Sewer System Revenue Bonds, Series 2018B (the "Series 2018B Bonds"), its Water and Sewer System Refunding Revenue Bonds, Series 2018C (the "Series 2018C Bonds" together with the 2018A-2 Bond and the Series 2018B Bonds, collectively referred to herein as the "Prior Bonds"); and

WHEREAS, the City has entered into various loan agreements with the State of Florida Department of Environmental Protection, identified by loan numbers: (i) DW0517010, (ii) DW0517020, (iii) DW0517030, (iv) DW0517040, (v) DW0517050, (vi) WWG12081202P, and (vii) WWG120812030 (collectively, the "SRF Loans;") all of which are secured by the Pledged Revenues on a subordinate lien basis; and

WHEREAS, the SRF Loans are currently outstanding in the approximate principal amount of \$13,535,549.97 the proceeds of which were used to acquire, construct and/or install certain improvements to the water and sewer system of the City; and

WHEREAS, the City now desires to issue its City of Cocoa, Florida Water and Sewer System Revenue Bond, Series 2020 (the "Series 2020 Bond") for the purpose (i) of financing the acquisition of certain improvements to its water and sewer system financed with proceeds of the SRF Loans; and (ii) to pay the costs of issuance of the Series 2020 Bond; and

WHEREAS, the City has or will have complied with the terms, limitations and conditions contained in the Master Resolution and is or will be, therefore, legally entitled to issue the Series 2020 Bond herein authorized as an Additional Bond under the Master Resolution; and

WHEREAS, the covenants, pledges and conditions contained in the Master Resolution shall be applicable to the Series 2020 Bond herein authorized on parity lien basis with the Prior Bonds; and

WHEREAS, the estimated Pledged Revenues will be sufficient to pay the principal of, premium, if any, and interest on the Series 2020 Bond and the Prior Bonds, as the same shall become due, and all other payments provided for in the Master Resolution and this Resolution; and

WHEREAS, the City has received an offer from STI Institutional & Government, Inc. (the "Lender") to purchase the Series 2020 Bond upon issuance; and

WHEREAS, the City Council of the City previously approved the sale of the Series 2020 Bond to the Lender; and has awarded the Series 2020 Bond to the Lender on a negotiated sale basis based on satisfaction of the terms and conditions contained in the Master Resolution and herein, and prior to the issuance of the Series 2020 Bond, the City shall receive from the Lender a Disclosure Letter containing the information required by Section 218.385, Florida Statutes, the form of which is attached hereto as Exhibit A and a Lender's Certificate, the form of which is attached hereto as Exhibit B.

WHEREAS, the Series 2020 Bond shall not constitute a general obligation or a pledge of the full faith, credit or taxing power of the City, the State of Florida, or any political subdivision or agency thereof, within the meaning of any constitutional or statutory provisions. Neither the State of Florida, nor any political subdivision or agency thereof, nor the City shall be obligated (i) to exercise its ad valorem taxing power in any form on any real or personal property of or in the City to pay the principal of, premium, if any, and the interest on the Series 2020 Bond, or other costs incidental thereto, or (ii) to pay the same from any other funds of the City except from the Pledged Revenues, in the manner and to the extent provided herein and in the Master Resolution; and

WHEREAS, the principal of, premium, if any, and interest on the Series 2020 Bond and other payments shall be limited obligations of the City, payable solely from the Pledged Revenues as provided in the Master Resolution and herein; and

WHEREAS, there will be no reserve fund established in connection with the Series 2020 Bond; and

NOW BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COCOA, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of the Master Resolution and other applicable provisions of law and constitutes a Subsequent Resolution within the meaning of the Master Resolution.

SECTION 2. DEFINITIONS. Capitalized terms not expressly defined herein shall have the meanings ascribed thereto in the Master Resolution. In addition to the terms defined in the WHEREAS clauses to this Resolution and unless the context clearly indicates some other meaning, all words and terms used in this Resolution shall have the following meanings:

"Date of Delivery" shall mean November 12, 2020, or such other date as may be agreed to by the City and the Lender.

"Resolution" shall mean this Resolution which constitutes a Subsequent Resolution under the Master Resolution.

SECTION 3. FINDINGS. The WHEREAS clauses recited above are hereby incorporated herein as a part of this Resolution.

SECTION 4. AUTHORIZATION OF LOAN AGREEMENT. To provide for the security of the Series 2020 Bond and to express the contract between the City and the holder thereof, the City does hereby authorize the execution and delivery, on behalf of the City, by the Mayor, under the seal of the City, attested by the City Clerk, of the Loan Agreement by and between the City and the Lender (the "Loan Agreement"). The Loan Agreement shall be in substantially the form attached hereto and marked Exhibit "C" and is hereby approved, with such changes therein as shall be approved by the authorized officer executing the same, with such execution constituting conclusive evidence of such officer's approval and the City's approval of any changes therein to the form of the Loan Agreement attached hereto. The Loan Agreement is hereby incorporated by reference as if fully set forth herein and shall be treated in all respects as a Subsequent Resolution under the Master Resolution.

SECTION 5. AUTHORIZATION AND DESCRIPTION OF BOND; AUTHORIZATION OF THE FINANCING OF THE ACQUISITION OF THE IMPROVEMENTS FINANCED WITH THE SRF LOANS. Subject and pursuant to the provisions of the Master Resolution, the City hereby approves the issuance of a Bond to be known as the "City of Cocoa, Florida Water and Sewer System Revenue Bond, Series 2020," for the principal purpose of providing funds, which shall be sufficient to (i) refinance the acquisition of the improvements financed with the proceeds of the SRF Loans, and (ii) pay the costs of issuing the Series 2020 Bond.

The Series 2020 Bond shall be dated the date of delivery, shall be issued in the form of one fully registered Bond registered in the name of the Lender. The Series 2020 Bond shall bear interest from its dated date, payable semi-annually, on March 15 and September 15 of each year,

commencing March 15, 2021, subject to adjustment as provided in the Loan Agreement and the Series 2020 Bond and shall mature on September 15, 2030. The Series 2020 Bond shall be considered an Additional Bond issued in accordance with the terms of the Master Resolution.

SECTION 6. FORM OF SERIES 2020 BOND. The Mayor and the City Clerk are hereby authorized to execute, by manual or facsimile signature, the Series 2020 Bond in substantially the form of Exhibit A attached to the Loan Agreement, with such additions or deletions as the persons executing the Series 2020 Bond may approve, their execution (whether by manual or facsimile signatures) to constitute conclusive evidence of such approval. The Registrar is hereby directed to authenticate by its manual signature the Series 2020 Bond on the date of issuance thereof.

SECTION 7. IMPACT FEES PROHIBITED TO PAY DEBT SERVICE ON THE SERIES 2020 BOND. Pursuant to Section 2.08(g) of the Master Resolution, the use of Impact Fees to pay debt service on the Series 2020 Bond is hereby expressly prohibited.

SECTION 8. APPOINTMENT OF REGISTRAR AND PAYING AGENT. The City hereby appoints The Bank of New York Mellon Trust Company, N.A. as Registrar and Paying for the Bond.

SECTION 9. GENERAL AUTHORITY. The members of the City Council, the Mayor or Deputy Mayor, the Finance Director, the City Clerk and any designated Deputy Clerk and the officers, attorneys and other agents of the City are hereby authorized to do all acts and things required of them by this Resolution and the Master Resolution, for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2020 Bond and the Master Resolution, and each member of the City Council, attorney and officer of the City, the Mayor or Deputy Mayor, the Finance Director and the City Clerk and any designated Deputy Clerk is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder, including but not limited, entering into an agreement with The Bank of New York Mellon Trust Company, N.A., as Registrar and Paying Agent.

SECTION 10. SEVERABILITY AND INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy or 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 separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2020 Bond.

SECTION 11. MASTER RESOLUTION TO CONTINUE IN FORCE. The Master Resolution and all the terms and provisions thereof are and shall remain in full force and effect.

SECTION 12. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the City Council of the City of Cocoa, Florida, in a regular meeting assembled on the 10th day of November, 2020.

Jake Williams, Jr., Mayor

ATTEST:

Carie Shealy, City Clerk

EXHIBIT A

FORM OF LENDER DISCLOSURE LETTER

The undersigned, as lender, proposes to negotiate with the City of Cocoa, Florida (the "City") for the private purchase of the City's \$[_____] City of Cocoa, Florida Water and Sewer System Revenue Bond, Series 2020, dated November 12, 2020 (the "Bond"), secured under Resolution No. 93-27, as amended and supplemented, as particularly supplemented by Resolution No. 2020-231 adopted by the City Council of the City on November 10, 2020 (the "Resolution"), and that certain Loan Agreement dated November 12, 2020 by and between the City and the Lender as hereinafter defined. Prior to the award of the Bond, the following information is hereby furnished to the City:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to STI Institutional & Government, Inc. (the "Lender") in connection with the issuance of the Bond (such fees and expenses to be paid by the City):

Holland & Knight LLP
Lender's Counsel Fees- \$8,000.00

2. (a) No fee, bonus or other compensation is estimated to be paid by the Lender in connection with the issuance of the Bond to any person not regularly employed or retained by the Lender (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes).

(b) No person has entered into an understanding with the Lender, or to the knowledge of the Lender, with the City, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Lender or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Bond.

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

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

5. Truth-in-Bonding Statement:

The Bond is being issued primarily to refinance the acquisition of certain improvements to the City's water and sewer system financed by SRF Loans as described in the Resolution, and paying the costs of issuance of the Bond.

Unless earlier redeemed, the Bond is expected to be repaid by September 15, 2030. At a fixed rate of interest equal to 1.21%, total interest paid over the life of the Bond is estimated to equal [\$_____].

The Bond will be payable solely from Pledged Revenues as defined in the Resolution in a manner sufficient to pay the principal of and interest due on the Bond. Issuance of the Bond is estimated to result in approximately \$[_____] of revenues of the City not being available to finance the services of the City in any one fiscal year during the life of the Bond.

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

STI Institutional & Government, Inc.
333 Garland Avenue, 17th Floor
Orlando, FL 32801
Attn: Brian S. Orth, Relationship Manager

This letter is provided for the sole purpose of complying with Section 218.385, Florida Statutes, as amended, and does not change the terms of and is not evidence of the terms of the Bond. It is the understanding of the Lender that the City has not requested any further disclosure from the Lender.

Dated this 12th of November, 2020.

STI INSTITUTIONAL & GOVERNMENT, INC.

By: _____

Name: Brian S. Orth

Title: Authorized Agent

EXHIBIT B

FORM OF LENDER'S CERTIFICATE

This is to certify that STI Institutional & Government, Inc. (the "Lender") has made a loan (the "Loan") to the City of Cocoa, Florida (the "City"). The Loan is evidenced by the City's Water and Sewer System Revenue Bond, Series 2020 dated November 12, 2020 (the "Bond"). The Lender acknowledges that the Loan is being made as a direct loan to the City and that the City will not make a filing with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access repository. The Bond is being issued pursuant to Resolution 93-27 adopted by the City on August 18, 1993, as amended and supplemented, as particularly supplemented by Resolution 20-231 adopted by the City Council of the City on November 10, 2020 (collectively, the "Resolution"). Any capitalized undefined terms used herein not otherwise defined shall have the meanings set forth in the Loan Agreement by and between the City and the Lender (the "Loan Agreement") or the Resolution pursuant to which the Bond is issued.

The Lender has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the City in connection with the Loan and no inference should be drawn that the Lender, in the acceptance of the Bond, is relying on Bryant Miller Olive P.A., ("Bond Counsel") or Garganese, Weiss, D'Agresta & Salzman, P.A., the City Attorney of the City (the "City Attorney") as to any such matters other than the legal opinion rendered by Bond Counsel and by the City Attorney.

The Lender acknowledges that no CUSIP numbers or credit ratings have been obtained with respect to the Bond.

The Lender is not acting as a broker or other intermediary and is funding the Loan with its own capital and for its own account and not with a present view to a resale or other distribution to the public. The Bond will only be sold to an accredited investor as such term is defined in the Securities Act of 1933, as amended (the "1933 Act"), and Regulation D provided that any subsequent disposition or transfer of the Bond shall be done in accordance with the Loan Agreement and the Bond. The Lender is not purchasing the Bond for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

The Lender is an "accredited investor" as such term is defined in the 1933 Act and Regulation D thereunder or a "qualified institutional buyer" under Rule 144A of the 1933 Act.

Neither the Lender nor any of its affiliates shall act as a fiduciary for the City or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor with respect to the proposed issuance of the Bond. Neither the Lender nor any of its affiliates has provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of the City with respect to the proposed issuance of the Bond. The City has represented to the Lender that it has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the proposed issuance of the Bond.

from its financial, legal and other advisors (and not the Lender or any of its affiliates) to the extent that the City desired to obtain such advice.

Dated this 12th day of November, 2020.

STI INSTITUTIONAL & GOVERNMENT, INC.

By:_____

Name: Brian S. Orth

Title: Authorized Agent

EXHIBIT C
FORM OF LOAN AGREEMENT