

## RESOLUTION NO. 2024-R-39

### SECOND SUPPLEMENTAL RESOLUTION

A SECOND SUPPLEMENTAL RESOLUTION OF THE CITY OF EDGEWATER, FLORIDA (THE "ISSUER") AMENDING AND SUPPLEMENTING THAT CERTAIN MASTER UTILITY SYSTEM REVENUE BOND RESOLUTION (NO. 2016-R-04), ADOPTED BY THE CITY COUNCIL OF THE ISSUER ON JANUARY 4, 2016 (THE "MASTER RESOLUTION"); AUTHORIZING THE ISSUANCE OF ITS UTILITY SYSTEM REVENUE NOTE, SERIES 2024 IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$20,000,000 (THE "SERIES 2024 NOTE"), THE PROCEEDS OF WHICH WILL BE USED, TOGETHER WITH OTHER AVAILABLE FUNDS OF THE ISSUER, TO FUND THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING ITS PUBLIC WORKS FACILITY AND RELATED IMPROVEMENTS AND PAY CERTAIN COSTS OF ISSUANCE ASSOCIATED WITH THE SERIES 2024 NOTE; PROVIDING THAT THE SERIES 2024 NOTE SHALL BE A LIMITED OBLIGATION OF THE ISSUER PAYABLE FROM PLEDGED FUNDS OF THE SYSTEM; PROVIDING FOR THE RIGHTS, SECURITIES AND REMEDIES FOR THE OWNER OF THE SERIES 2024 NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDGEWATER FLORIDA:

**Section 1:** *Authority for this Resolution.* This Resolution is enacted pursuant to the provisions of Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, the Charter of the City of Edgewater, Florida, and other applicable provisions of law. This Resolution shall constitute a Supplemental Resolution, as defined in the Master Resolution (defined herein).

**Section 2:** *Definitions.* Capitalized terms used herein but not defined shall have the respective meanings set forth in the Master Resolution in effect as of the date hereof. In addition, the following words and phrases shall have the following meanings when used herein:

"*Business Day*" means any day except any Saturday or Sunday or day on which the Principal Office of the Lender is closed.

"*City Attorney*" shall mean the City Attorney or assistant City Attorney of the Issuer.

*"City Manager"* shall mean the City Manager or assistant, deputy, interim or acting City Manager of the Issuer.

*"Clerk"* shall mean the City Clerk or assistant or deputy City Clerk of the Issuer, or such other person as may be duly authorized by the City Council of the Issuer to act on his or her behalf.

*"Default Rate"* shall mean the lesser of: (a) the Prime Rate plus eight percent (8.00%) per annum, and (b) the maximum lawful rate permitted by law.

*"Determination of Taxability"* shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Series 2024 Note is includable for federal income tax purposes in the gross income of the Owner, which notice or notification is not contested by either the Issuer or the Owner, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Series 2024 Note is includable for federal income tax purposes in the gross income of the Owner, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the Issuer to the effect that interest on the Series 2024 Note is includable for federal income tax purposes in the gross income of the Owner. A Determination of Taxability shall not include any change in applicable law passed and adopted by the United States Congress which results in the interest payable on the Series 2024 Note being includable for federal income tax purposes in the gross income of the Owner. For all purposes of this definition, the effective date of any Determination of Taxability will be the first date as of which interest is deemed includable in the gross income of the Owner of the Series 2024 Note.

*"Event of Default"* shall mean any Event of Default as set forth in Section 18 of the Master Resolution.

*"Finance Director"* shall mean the Finance Director of the Issuer, or any assistant or deputy Finance Director of the Issuer.

*"First Supplemental Resolution"* shall mean Resolution No. 2016-R-07 of the City Commission of the Issuer, adopted on February 25, 2016.

*"Interest Payment Date"* shall, unless otherwise specified in the Series 2024 Note, mean each April 1 and October 1, commencing April 1, 2025, the Maturity Date and any other date on which the Series 2024 Note is prepaid in accordance with this Resolution.

*"Issuer Address"* shall mean 104 North Riverside Drive, Edgewater, Florida 32132.

*"Lender"* means Truist Commercial Equity, Inc. and its successors and assigns.

*"Master Resolution"* means that certain Master Utility System Revenue Bond Resolution (No. 2016-R-04), adopted by the City Council of the Issuer on January 4, 2016, as the same may be amended and supplemented from time to time in accordance with its terms or the terms of any

applicable supplemental resolution. The Master Resolution is hereby incorporated by reference into the body of this Resolution as if set forth herein.

*"Maturity Date"* shall mean the date on which all principal and all unpaid interest accrued on the Series 2024 Note shall be due and payable in full, which date shall be, if not sooner due to acceleration or prepayment, October 1, 2044.

*"Mayor"* means the Mayor of the Issuer, or in his or her absence or inability to act, the Vice Mayor of the Issuer or such other person as may be duly authorized by the City Council of the Issuer to act on his or her behalf.

*"Owner"* means the Person in whose name the Series 2024 Note shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Resolution. The initial Owner is the Lender.

*"Permitted Lender"* shall have the meaning set forth in Section 17 hereof.

*"Person"* means natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

*"Pledged Funds"* shall have the meaning set forth in the Master Resolution.

*"Prime Rate"* shall mean the per annum rate which the Lender's affiliate Truist Bank announces from time to time to be its prime rate, as in effect from time to time. The prime rate is a reference or benchmark rate, is purely discretionary and does not necessarily represent the lowest or best rate charged to borrowing customers. The Lender's affiliate Truist Bank may make commercial loans or other loans at rates of interest at, above or below the prime rate. Each change in the prime rate shall be effective from and including the date such change is announced as being effective.

*"Principal Office"* means, with respect to the Lender, the office located at 1200 Riverplace Blvd, Floor 5, Jacksonville, FL 32207, or such other office as the Lender may designate to the Issuer in writing.

*"Project"* means, collectively, (a) the acquisition, construction and equipping the Issuer's public works facility to be used for the operation, maintenance and upkeep of the System, including related improvements, and (b) paying certain costs of issuance associated with the Series 2024 Note.

*"Resolution"* means this Resolution, including any attachments, exhibits, amendments and supplements thereto.

*"Series 2016 Note"* means the City of Edgewater, Florida Utility System Refunding Revenue Note, Series 2016.

"Series 2024 Note" means the Utility System Refunding Revenue Note, Series 2024 of the Issuer authorized by Section 4 hereof.

"State" means the State of Florida.

"System" shall have the meaning set forth in the Master Resolution.

**Section 3: Findings.**

(A) For the benefit of its inhabitants, the Issuer finds, determines and declares that it is necessary for the continued preservation of the health, welfare, convenience and safety of the Issuer and its inhabitants to issue the Series 2024 Note the proceeds of which, together with other available funds of the Issuer, will be used to fund the Project. Issuance of the Series 2024 Note to finance the Project satisfies a paramount public purpose.

(B) The Issuer has authorized the issuance of Bonds and other evidences of indebtedness pursuant to the Master Resolution in order to finance and refinance the costs of certain improvements to its System. The Project constitutes an improvement to the System in that it will enable the Issuer to operate and maintain the System more effectively and efficiently.

(C) This Resolution shall constitute a "Supplemental Resolution" as such term is used in the Master Resolution and the Series 2024 Note shall constitute "Bonds" as such term is used in the Master Resolution. All representations, warranties and covenants of the Issuer as set forth in the Master Resolution, including, without limitation, the covenants in Section 16(C) (Rate Covenant) and Section 16(N) (Additional Parity Bonds Covenant), shall apply to this Resolution and are hereby incorporated by reference into the body of this Resolution.

(D) Debt service on the Series 2024 Note will be payable from Pledged Funds on a parity basis to the Series 2016 Note and any Additional Parity Bonds that are issued hereafter from time to time by the Issuer under and in accordance with the Master Resolution. The Pledged Funds will be sufficient to pay the principal, premium, if any, and interest on the Series 2024 Note herein authorized, as the same become due, and to make all deposits required by the Master Resolution, as supplemented by this Resolution.

(E) The Issuer has received an offer from the Lender to purchase the Series 2024 Note.

(F) In consideration of the purchase and acceptance of the Series 2024 Note authorized to be issued hereunder by those who shall be the Owner thereof from time to time (including, but not limited to the Lender), this Resolution shall constitute a contract between the Issuer and the Owner.

**Section 4: Authorization of Series 2024 Note.** Subject and pursuant to the provisions of this Resolution and the Master Resolution, an obligation of the Issuer to be known as City of Edgewater, Florida Utility System Revenue Note, Series 2024 (the "Series 2024 Note") is hereby authorized to be issued under and secured by this Resolution and the Master Resolution, in the principal amount of not to exceed \$20,000,000.00 for the purpose of providing funds for the

Project. Due to the characteristics of the Series 2024 Note and prevailing market conditions, it is in the best interest of the Issuer to accept the offer of the Lender to purchase the Series 2024 Note at a private negotiated sale in accordance with the Term Sheet of the Lender attached hereto as Exhibit "A" (the "*Term Sheet*"). Prior to the issuance of the Series 2024 Note, the Issuer shall receive from the Lender a Lender's Certificate, the form of which is attached hereto as Exhibit "B" and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit "C".

**Section 5:** *Description of Series 2024 Note.* The Series 2024 Note is being issued by the Issuer to evidence the loan by the Lender to the Issuer in an amount equal to the stated principal amount of the Series 2024 Note. The Series 2024 Note shall be a term note, shall be dated the date of its execution and delivery, which shall be a date agreed upon by the Issuer and the Lender, and shall have such other terms and provisions, principal and interest payment terms, including without limitation, the Interest Payment Dates, Amortization Installments, maturity date, interest rate adjustments and prepayment provisions as stated herein and/or in the form of the Series 2024 Note attached hereto as Exhibit "D", the terms and provisions of which are hereby incorporated by reference into the body of this Resolution; provided, however, that the final maturity of the Series 2024 Note shall not be in excess of the Maturity Date and the Series 2024 Note shall bear interest at an annual fixed interest rate as described in the Term Sheet, subject to adjustment as described herein. The authorized denomination of the Series 2024 Note is the principal amount outstanding. The Reserve Requirement for the Series 2024 Note is \$0.

The Series 2024 Note shall be in substantially the form set forth in Exhibit D attached hereto, together with such changes in compliance with this Resolution as shall be approved by the Mayor and the Finance Director, such approval to be conclusively evidenced by the execution thereof by the Mayor. The Series 2024 Note shall be executed on behalf of the Issuer with the manual signature of the Mayor and be attested and countersigned with the manual signature of the City Clerk. In case any one or more of the officers who shall have signed the Series 2024 Note shall cease to be such officer of the Issuer before the Series 2024 Note so signed has been actually sold and delivered, such Series 2024 Note may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed such Series 2024 Note had not ceased to hold such office. The Series 2024 Note may be signed on behalf of the Issuer by such person who at the actual time of the execution of such Series 2024 Note shall hold the proper office of the Issuer, although, at the date of such Series 2024 Note, such person may not have held such office or may not have been so authorized.

**Section 6:** *Registration and Exchange of Series 2024 Note; Persons Treated as Owner.* The Series 2024 Note is initially registered to the Lender. So long as the Series 2024 Note shall remain unpaid, the Clerk will keep books for the registration and transfer of the Series 2024 Note. The Series 2024 Note shall be transferable only upon such registration books.

The Person in whose name the Series 2024 Note shall be registered shall be deemed and regarded as the absolute Owner thereof for all purposes, and payment of principal, premium, if any, and interest on such Series 2024 Note shall be made only to or upon the written order of the Owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2024 Note to the extent of the sum or sums so paid.

**Section 7: *Payment of Principal and Interest; Limited Obligation.*** The Issuer promises that it will promptly pay the principal of, premium, if any, and interest on the Series 2024 Note at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof.

THE SERIES 2024 NOTE SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE ISSUER AS A "BOND" WITHIN THE MEANING OF ARTICLE VII, SECTION 12 OF THE CONSTITUTION OF FLORIDA, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED FUNDS ON A PARITY BASIS TO THE PAYMENT OF ANY ADDITIONAL PARITY BONDS HEREAFTER ISSUED UNDER THE MASTER RESOLUTION IN ACCORDANCE WITH THE TERMS HEREOF AND THEREOF. NO OWNER OF ANY SERIES 2024 NOTE ISSUED HEREUNDER SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2024 NOTE, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2024 NOTE FROM ANY FUNDS OF THE ISSUER EXCEPT FROM THE LIEN ON PLEDGED FUNDS AS DESCRIBED HEREIN AND IN THE MASTER RESOLUTION.

**Section 8: *Prepayment.*** The Series 2024 Note shall be subject to prepayment as set forth in the Series 2024 Note.

**Section 9: *Pledge of and Lien on Pledged Funds.*** The Issuer does hereby pledge and grant a lien on and security interest in the Pledged Funds to and for the express benefit of the Owners from time to time of the Series 2024 Note (including, but not limited to, the Lender), in such amounts and at such times as shall be sufficient to pay principal, premium, if any, of and interest on and all other amounts due and owing under the Series 2024 Note as the same shall become due and payable, all in accordance with the terms of Section 15 of the Master Resolution and on parity with the Series 2016 Note and any Additional Parity Bonds hereafter issued and outstanding under the Master Resolution.

**Section 10. *Application of Proceeds of Series 2024 Note.*** The proceeds derived from the sale of the Series 2024 Note shall be applied to the Project. Such proceeds shall be disbursed by the Lender to the Issuer in a single disbursement to be made on the date of issuance of the Series 2024 Note.

**Section 11: *Tax Covenant.*** The Issuer covenants to the Owner of the Series 2024 Note provided for in this Resolution that the Issuer will not make any use of the proceeds of the Series 2024 Note, at any time during the term of the Series 2024 Note, which, if such use had been reasonably expected on the date the Series 2024 Note is issued, would cause the Series 2024 Note to be "arbitrage bonds" within the meaning of the Tax Code. The Issuer will comply with the requirements of the Tax Code and any valid and applicable rules and regulations promulgated thereunder and shall take such actions as are necessary (or refrain from such actions) to ensure the exclusion of interest on the Series 2024 Note from the gross income of the Owners thereof for purposes of federal income taxation.

**Section 12: Amendment.** The Master Resolution and this Resolution shall not be modified or amended in any respect subsequent to the issuance of the Series 2024 Note except with the written consent of the Owner of the Series 2024 Note.

**Section 13: Limitation of Rights.** With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Series 2024 Note is intended or shall be construed to give to any Person other than the Issuer and the Owner any legal or equitable right, remedy or claim under or with respect to this Resolution or any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Owner.

**Section 14: Series 2024 Note Mutilated, Destroyed, Stolen or Lost.** In case the Series 2024 Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Series 2024 Note of like tenor as the Series 2024 Note so mutilated, destroyed, stolen or lost, in exchange and in substitution for such mutilated Series 2024 Note, or in lieu of and in substitution for the Series 2024 Note destroyed, stolen or lost and upon the Owner furnishing the Issuer proof of ownership thereof and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. The Series 2024 Note so surrendered shall be canceled.

**Section 15: Impairment of Contract.** The Issuer covenants with the Owner of the Series 2024 Note that it will not, without the written consent of the Owner of the Series 2024 Note, enact any ordinance or adopt any resolution which repeals, impairs or amends in any manner adverse to the Owner the rights granted to the Owner of the Series 2024 Note hereunder or under the Master Resolution.

**Section 16: Budget and Financial Information.** The Issuer shall provide the Owner of the Series 2024 Note with:

(A) a copy of its annual audited financial statements (together with any and all accompanying auditors' letters or opinions) within 270 days of the end of each of its fiscal years while the Series 2024 Note remains outstanding;

(B) a copy of its annual budget within 30 days of its adoption each year while the Series 2024 Note remains outstanding;

The annual audited financial statements for each fiscal year of the Issuer referenced in Section 16(A) above shall be: (i) prepared in accordance with applicable law and generally accepted accounting principles and audited by an independent certified public accountant; and (ii) accompanied by a certificate of compliance, signed by the Finance Director or other responsible officer of the Issuer, which sets forth calculations of each of the financial covenants set forth in Section 16.C of the Master Resolution. All accounting terms not specifically defined or specified herein shall have the meanings attributed to such terms under generally accepted accounting principles as in effect from time to time, consistently applied.

**Section 17: Notice of Defaults; Notices.** The Issuer shall, within five (5) days after it acquires knowledge thereof, notify the Owner in writing at its notice address provided herein (a) of any change in any material fact or circumstance represented or warranted by the Issuer in the Resolution or in connection with the issuance of the Series 2024 Note; (b) upon the happening, occurrence, or existence of any Event of Default, and (c) any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Owner, with such written notice, a detailed statement by a responsible officer of the Issuer of all relevant facts and the action being taken or proposed to be taken by the Issuer with respect thereto. Regardless of the date of receipt of such notice by the Owner, such date shall not in any way modify the date of occurrence of the actual Event of Default. Notices required by this Resolution and the Master Resolution shall be sent to the Owner at the Principal Office address, and to the Issuer at the Issuer Address.

**Section 18: Additional Remedies.** The Owner of the Series 2024 shall be entitled to and may exercise the remedies set forth in Section 17 of the First Supplemental Resolution during any period that the Series 2016 Note is outstanding and the owner of the Series 2016 Note has the right to exercise and exercises such remedies. If, during any period that the Series 2024 Note remains outstanding, the owner of the Series 2016 Note consents to amend Section 17 of the First Supplemental Resolution, then this Resolution shall be deemed to be amended to the same extent as Section 17 of the First Supplemental Resolution. The Issuer hereby covenants that, during any period that the Series 2024 Note remains outstanding, it shall not grant to any owner of Additional Bonds under the Master Resolution any remedies in addition to the remedies available to the Owner of the Series 2024 Note, and to the extent that any additional remedies are granted to any owner of Additional Bonds, this Resolution shall be deemed to be amended to include and make such additional remedies available to the Owner of the Series 2024 Note. An excerpt of Section 17 of the First Supplemental Resolution is set forth below (for the purposes of this Resolution, all references to the “Series 2016 Owner” and the “Series 2016 Note” shall be deemed to refer to the “Owner” and the “Series 2024 Note,” respectively) and, with such modifications, is hereby incorporated into the body of this Resolution for the purposes of this Section 18:

**Section 17: Remedies of Series 2016 Owner upon an Event of Default.** In addition to the provisions of the Master Resolution, upon the occurrence and during the continuation of any Event of Default, the Owner of any Series 2016 Note may: (1) declare the current Outstanding principal amount of the Series 2016 Note, together with any accrued but unpaid interest on the Series 2016 Note and any unpaid costs, fees and expenses due and owing to the Owner, to be due and payable immediately; and (2) in addition to any other remedies set forth in the Master Resolution, this Resolution or the Series 2016 Note, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, and may enforce and compel the performance of all duties required by the Series 2016 Note, the Master Resolution, this Resolution, or by any applicable statutes to be performed by the Issuer or by any officer thereof. In addition, any amounts due hereunder or under the Series 2016 Note not paid when due shall bear interest at the Default Rate from and after five (5) days after the date due.



**Section 19: *Transfers of the Series 2024 Note.*** The Series 2024 Note may only be transferred to a Permitted Lender in whole, in a denomination of not less than \$100,000. As used herein, "*Permitted Lender*" means any bank, trust company, savings institution or insurance company that is engaged as a regular part of its business in making loans authorized to do business in the State of Florida.

**Section 20: *Severability.*** If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

**Section 21: *Business Days.*** In any case where the due date of interest on or principal of a Series 2024 Note is not a Business Day, then payment of such principal or interest need not be made on such date but may be made on the next succeeding Business Day, provided that credit for payments made shall not be given until the payment is actually received by the Owner.

**Section 22: *Applicable Provisions of Law.*** This Resolution shall be governed by and construed in accordance with the laws of the State.

**Section 23: *Rules of Interpretation.*** Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

**Section 24: *Captions; Findings.*** The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution. The Findings set forth in this Resolution are hereby incorporated by reference into the body of this Resolution.

**Section 25: *Members of the City Council of the Issuer Exempt from Personal Liability.*** No recourse under or upon any obligation, covenant or agreement of this Resolution or a Series 2024 Note or for any claim based thereon or otherwise in respect thereof, shall be had against any member of the City Council of the Issuer, as such, of the Issuer, past, present or future, either directly or through the Issuer it being expressly understood (a) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the members of the City Council of the Issuer, as such, under or by reason of the obligations, covenants or agreements contained in this Resolution or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such member of the City Council of the Issuer, as such, are waived and released as a condition of, and as a consideration for the issuance of the Series 2024 Note, on the part of the Issuer.

**Section 26: *Authorizations.*** The Mayor and any member of the City Council, the City Manager, the Finance Director, the City Attorney, the City Clerk and such other officials and employees of the Issuer as may be designated by the Issuer are each designated as agents of the

Issuer in connection with the issuance and delivery of the Series 2024 Note and are authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents, and contracts on behalf of the Issuer (including, but not limited to, the Series 2024 Note) that are necessary or desirable in connection with the execution and delivery of the Series 2024 Note, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

**Section 27:** *No Third-Party Beneficiaries.* Except such other persons as may be expressly described in this Resolution or in the Series 2024 Note, nothing in this Resolution or in the Series 2024 Note, expressed or implied, is intended or shall be construed to confer upon any person, other than the Issuer and the Owner, any right, remedy or claim, legal or equitable, under and by reason of this Resolution, or any provision thereof, or of the Series 2024 Note, all provisions thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the persons who shall from time to time be the Owner.

**Section 28:** *Waiver of Jury Trial; Venue.* The Issuer agrees that any suit, action or proceeding, whether claim or counterclaim, brought or instituted by the Issuer or the Owner of the Series 2024 Note or any successor or assign of such Persons, on or with respect to this Resolution, the Master Resolution, the Series 2024 Note or the dealings of the parties with respect hereto, shall be tried only by a court and not by a jury. THE ISSUER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. The Issuer hereby irrevocably consents to the personal jurisdiction of the state and federal courts located in Volusia County, Florida, in any action, or proceeding arising out of or in connection with this Resolution, the Master Resolution or the Series 2024 Note, any related documents, or the rights and obligations of the parties hereunder.

**Section 29:** *Governing Law.* This Resolution, the Master Resolution and the Series 2024 Note and the rights, duties and obligations of the Issuer hereunder and thereunder shall be governed and construed in accordance with the laws of the State.

**Section 30:** *No Advisory Or Fiduciary Relationship.* In connection with all aspects of each transaction contemplated under this Resolution (including in connection with any amendment, waiver or other modification hereof or of any other documents related hereto), the Issuer acknowledges and agrees, that: (a) (i) it has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, (ii) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and any other transaction documents related to the issuance of the Series 2024 Note (the “Loan Documents”), (iii) the Lender is not acting as a municipal advisor or financial advisor to the Issuer and (iv) the Lender has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Issuer with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Lender has provided other services or is currently providing other services to the Issuer on other matters); (b) (i) the Lender is and has been acting solely as a principal in an arm's length commercial lending transaction and has not been, is not, and will not be acting as an advisor, agent or fiduciary, for the Issuer, or any other person and (ii) the Lender has no obligation to the Issuer, with respect to the transactions contemplated hereby except those obligations expressly

set forth herein and in the other Loan Documents; (c) notwithstanding anything herein to the contrary, it is the intention of the Issuer and the Lender that the Loan Documents represent a commercial loan transaction not involving the issuance and sale of a municipal security, and that any bond, note or other debt instrument that may be delivered to the Lender is delivered solely to evidence the repayment obligations of the Issuer under the loan document; and (d) the Lender may be engaged in a broad range of transactions that involve interests that differ from those of the Issuer, and the Lender has no obligation to disclose any of such interests to the Issuer. To the fullest extent permitted by law, the Issuer hereby waives and releases any claims that it may have against the Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby. If the Authority would like a municipal advisor in this transaction that has legal fiduciary duties to the Issuer, the Issuer is free to engage a municipal advisor to serve in that capacity. The transactions contemplated herein and the Series 2024 Note are delivered, pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq, to the extent that such rules apply to the transactions contemplated hereunder.

**Section 31:** *Patriot Act Notice.* The Lender hereby notifies the Authority that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 signed into law October 26, 2001) (the “Patriot Act”), the Lender may be required to obtain, verify and record information that identifies the Issuer, which information includes the name and address of the Issuer and other information that will allow the Lender to identify the Issuer in accordance with the Patriot Act.

**Section 32:** *Effective Date.* This Resolution shall be in full force and take effect upon the date of the issuance of the Series 2024 Note.

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**ADOPTED BY THE CITY COUNCIL OF THE CITY OF EDGEWATER, FLORIDA**, this  
2nd day of December, 2024.

**CITY COUNCIL  
CITY OF EDGEWATER, FLORIDA**

(SEAL)

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

Diezel DePew, Mayor

ATTEST:

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

Bonnie Zlotnik, CMC, City Clerk

Approved as to form

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

Aaron R. Wolfe

City Attorney

Doran Sims Wolfe & Yoon

**EXHIBIT “A”**

**TERM SHEET**

## **EXHIBIT "B"**

### **FORM OF LENDER'S CERTIFICATE**

This is to certify that Truist Commercial Equity, Inc. (the "Lender") has not required the City of Edgewater, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance of the \$20,000,000 City of Edgewater, Florida, Utility System Revenue Note, Series 2024 (the "Series 2024 Note") and no inference should be drawn that the Lender, in the acceptance of the Series 2024 Note, is relying on Nelson Mullins Riley & Scarborough LLP ("Series 2024 Note Counsel") or Doran, Sims, Wolfe & Yoon ("City Attorney") as to any such matters other than the legal opinions rendered by Series 2024 Note Counsel and by the City Attorney.

Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in Resolution No. 2016-R-04, duly adopted by the Issuer on January 4, 2016, as amended and supplemented from time to time, and in particular, as amended and supplemented by Resolution No. 2024-R-\_\_\_, duly adopted by the Issuer on December 2 2024 (collectively, the "Resolution").

We acknowledge and understand that the Resolution is not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the Issuer, Series 2024 Note Counsel nor the City Attorney shall have any obligation to effect any such registration or qualification. The transactions contemplated herein and the Series 2024 Note are delivered, pursuant to and in reliance upon the bank exemption and/or the institutional buyer exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 et seq, to the extent that such rules apply to the transactions contemplated hereunder and the Series 2024 Note.

We are not acting as a broker or other intermediary and are purchasing the Series 2024 Note as an investment for our own account and not with a present view to a resale or other distribution to the public.

We are not purchasing the Series 2024 Note for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

Neither we nor any of our affiliates shall act as a municipal advisor or financial advisor fiduciary for the Issuer or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor with respect to the proposed issuance of the Series 2024 Note. Neither we nor any of our affiliates have any fiduciary duty pursuant to Section 15B of the Securities Exchange Act to the Issuer with respect to the Series 2024 Note and the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether we have provided other services or is currently providing other services to the Issuer on other matters).

We acknowledge that the Series 2024 Note may only be transferred in accordance with the terms of the Resolution.

We acknowledge that, unless otherwise required, no filing will be made with respect to the Series 2024 Note with EMMA, the Municipal Securities Rulemaking Boards continuing disclosure site.

We acknowledge that there will be no CUSIP Number obtained for the Series 2024 Note and that there will be no credit rating obtained for the Series 2024 Note.

We are an “accredited investor” within the meaning of Rule 501(a) promulgated under the Securities Act of 1933, as amended.

DATED this \_\_ day of December, 2024.

**TRUIST COMMERCIAL EQUITY, INC.**

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

Name: Brian T. Gibson

Title: Authorized Agent

## **EXHIBIT "C"**

### **FORM OF DISCLOSURE LETTER**

The undersigned, as lender, proposes to negotiate with the City of Edgewater, Florida (the "Issuer") for the private purchase of its City of Edgewater, Florida, Utility System Revenue Note, Series 2024 in the principal amount of \$20,000,000 (the "Series 2024 Note"). Prior to the award of the Series 2024 Note, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Lender") in connection with the issuance of the Series 2024 Note (such fees and expenses to be paid by the Issuer):

Lender's Counsel Fees: \$9,500

2. (a) No fee, bonus or other compensation is estimated to be paid by the Lender in connection with the issuance of the Series 2024 Note to any person not regularly employed or retained by the Lender (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes).

(b) No person has entered into an understanding with the Lender, or to the knowledge of the Lender, with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Lender or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Series 2024 Note.

3. The amount of the underwriting spread expected to be realized by the Lender on the Series 2024 Note is \$0.

4. The management fee to be charged by the Lender on the Series 2024 Note is \$0.

5. Truth-in-Bonding Statement:

The Series 2024 Note is being issued to fund the Project (as defined in the hereinafter described Resolution), including the payment of related costs of issuance in connection therewith.

Unless earlier redeemed, the Series 2024 Note is expected to be repaid by October 1, 2044. At an annual interest rate of 4.30% (subject to adjustment as provided in the Resolution and the Series 2024 Note), total interest paid over the life of the Series 2024 Note is estimated to equal \$\_\_\_\_\_.

The Series 2024 Note will be payable solely from Pledged Funds deposited and applied as described in Resolution No. 2016-R-04, duly adopted by the Issuer on January 4, 2016, as amended and supplemented from time to time, and in particular, as amended and supplemented by Resolution No. 2024-R-\_\_\_, duly adopted by the Issuer on December 2, 2024 (collectively, the "Resolution").



See the Resolution for definitions of “Pledged Funds” and “Project.” Issuance of the Series 2024 Note is estimated to result in a maximum of approximately \$\_\_\_\_\_ of Pledged Funds of the Issuer not being available to finance other services of the Issuer each year during the life of the Series 2024 Note.

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

Truist Commercial Equity, Inc.  
Brian T. Gibson  
1200 Riverplace Blvd, Floor 5, Jacksonville, FL 32207  
Mobile: 904-885-2384 Office: 904-361-5207 /  
Mail Code: 859-85-05-90  
brian.gibson2@truist.com

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Letter on behalf of the Lender this \_\_\_ day of December 2024.

**TRUIST COMMERCIAL EQUITY, INC.**

By: \_\_\_\_\_  
Name: Brian T. Gibson  
Title: Authorized Agent

**EXHIBIT “D”**

**FORM OF SERIES 2024 NOTE**

December \_\_, 2024

\$20,000,000

**CITY OF EDGEWATER, FLORIDA  
UTILITY SYSTEM REVENUE NOTE, SERIES 2024**

**Maturity Date: October 1, 2044**

KNOW ALL MEN BY THESE PRESENTS that the City of Edgewater, Florida (the "Issuer"), a municipal corporation created and existing pursuant to the Constitution and the laws of the State of Florida, for value received, promises to pay from the sources hereinafter provided, to the order of Truist Commercial Equity, Inc., or registered assigns (hereinafter, the "Owner"), the principal sum of \$20,000,000 on the dates as hereinafter described, together with interest on the principal balance at the annual interest rate of 4.30%, subject to adjustment as hereinafter described.

Principal of, premium, if any, and interest on this Series 2024 Note is payable in lawful money of the United States of America by wire transfer or at such place as the Owner may designate to the Issuer in writing.

Interest on this Series 2024 Note shall be paid semiannually on each Interest April 1 and October 1, commencing on April 1, 2025, based upon a 360-day year consisting of twelve 30-day months. Principal on this Series 2024 Note shall be payable to the Owner in Amortization Installments as hereinafter described annually on each October 1 and on the Maturity Date, commencing on October 1, 2025. All principal payments shall be made in accordance with the principal amortization schedule attached hereto as Exhibit “A”. No presentment shall be required for any interest payment, principal prepayment or Amortization Installment payments on this Series 2024 Note.

The entire unpaid principal balance, together with all accrued and unpaid interest hereon, shall be due and payable in full on the Maturity Date.

***Prepayment***

Upon at least 5 Business Days' notice in writing, the Series 2024 Note shall be subject to prepayment at the option of the Issuer in whole, but not in part, on any date on or after December 5, 2034 at a price equal to the principal amount thereof to be prepaid plus accrued interest to the date fixed for prepayment. Notwithstanding the foregoing, the Borrower may prepay in any calendar year ten percent (10%) of the principal amount that was outstanding on the Series 2024 Note on January 1 of such calendar year, such prepayment may be made at par plus interest accrued to the date of

prepayment on the principal amount prepaid and with no fee or prepayment premium. All prepayments shall be applied as determined by the Lender in its sole discretion.

***Other Provisions Generally Applicable***

If any date for the payment of principal and interest hereon shall fall on a day which is not a Business Day, the payment due on such date shall be due on the next succeeding day which is a Business Day, but the Issuer shall not receive credit for the payment until it is actually received by the Owner.

The authorized denomination of this Series 2024 Note is the amount outstanding.

THIS SERIES 2024 NOTE DOES NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY THE OWNER OF THIS SERIES 2024 NOTE THAT SUCH OWNER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE ISSUER OR TAXATION OF ANY REAL OR PERSONAL PROPERTY THEREIN FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS SERIES 2024 NOTE OR THE MAKING OF ANY OTHER PAYMENTS PROVIDED FOR IN THE HEREINAFTER DESCRIBED RESOLUTION.

This Series 2024 Note is issued pursuant to Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, the Charter of the Issuer and Resolution No. 2016-R-04, duly adopted by the Issuer on January 4, 2016, as amended and supplemented from time to time, and in particular, as amended and supplemented by Resolution No. 2024-R-\_\_\_, adopted by the Issuer on December 2, 2024 (herein collectively referred to as the "Resolution"), and is subject to all the terms and conditions of the Resolution. All terms, conditions and provisions of the Resolution including, without limitation, representations, warranties and covenants and remedies in the Event of Default are by this reference thereto incorporated herein as a part of this Series 2024 Note. Payment of this Series 2024 Note is secured by Pledged Funds. Terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

This Series 2024 Note may be exchanged or transferred by the Owner hereof but only upon the registration books maintained by the Issuer and in the manner provided in the Resolution.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in connection with the execution, delivery and the issuance of this Series 2024 Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Series 2024 Note is in full compliance with and does not exceed or violate any constitutional or statutory limitation.

Upon the occurrence of a Determination of Taxability (as defined in the Resolution), and for as long as this Series 2024 Note remains outstanding, the interest rate on this Series 2024 Note shall be converted to the Taxable Rate and this adjustment shall survive payment on this Series 2024 Note until such time as the federal statute of limitations under which the interest on the this Series 2024 Note could be declared taxable under the Code shall have expired. In addition, upon a Determination

of Taxability, the Issuer shall, immediately upon demand, pay to the Owner (or prior holders, if applicable) (i) an additional amount equal to the difference between (A) the amount of interest actually paid on this Series 2024 Note during the Taxable Period and (B) the amount of interest that would have been paid during the Taxable Period had this Series 2024 Note borne interest at the Taxable Rate, and (ii) an amount equal to any interest, penalties and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Owner as a result of the Determination of Taxability.

**"Taxable Period"** shall mean the period of time between (a) the date that interest on the Series 2024 Note is deemed to be includable in the gross income of the owner thereof for federal income tax purposes as a result of an Determination of Taxability, and (b) the date of the Determination of Taxability and after which this Series 2024 Note bears interest at the Taxable Rate.

**"Taxable Rate"** shall mean the interest rate per annum that shall provide the Owner with the same after-tax yield that the Owner would have otherwise received had the Determination of Taxability not occurred, taking into account the increased taxable income of the Owner as a result of such Determination of Taxability. The Owner shall provide the Issuer with a written statement explaining the calculation of the Taxable Rate, which statement shall, in the absence of manifest error, be conclusive and binding on the Issuer.

Upon the occurrence of an Event of Default (as defined in the Resolution), this Series 2024 Note shall bear interest at the Default Rate during any period that the event or occurrence causing such Event of Default remains in effect or is otherwise not resolved to the reasonable satisfaction of the Lender.

IN WITNESS WHEREOF, the City of Edgewater, Florida has caused this Series 2024 Note to be executed in its name by the manual signature of its Mayor, and attested by the manual signature of its City Clerk, all as of this \_\_\_\_ day of December, 2024.

**CITY COUNCIL  
CITY OF EDGEWATER, FLORIDA**

(SEAL)

By: \_\_\_\_\_  
Diezel DePew, Mayor

ATTEST:

By: \_\_\_\_\_  
Bonnie Zlotnik, CMC, City Clerk

## **CERTIFICATE OF AUTHENTICATION OF REGISTRAR**

This Series 2024 Note is one of the Issue of the within described Note. The rate of interest, Maturity Date, Owner and principal amount shown above are correct in all respects and have been recorded, along with the applicable federal taxpayer identification number and the address of the Registered Owner, in the Register maintained at the principal offices of the undersigned.

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City Clerk of the City of Edgewater, as  
Registrar

---

Authorized Signature

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Date of Authentication

## ASSIGNMENT

**ASSIGNMENT                      FOR                      VALUE                      RECEIVED,**                      the                      undersigned  
\_\_\_\_\_  
\_\_\_\_\_  
hereby sells, assigns, and transfers unto \_\_\_\_\_  
(Please insert name and Social Security or Federal Employer Identification number of assignee) the  
within Note and all rights thereunder, and hereby irrevocably constitutes and appoint  
\_\_\_\_\_ (the "Transferor") as attorney to  
register the transfer of the within Note on the books kept for registration thereof, with full power of  
substitution in the premises.

Date: \_\_\_\_\_  
Signature Guaranteed:

\_\_\_\_\_  
**NOTICE:** Signature(s) must be guaranteed by a  
member firm of the New York Stock Exchange  
or a commercial bank or a trust company.

\_\_\_\_\_  
**NOTICE:** No transfer will be registered and no  
new Note will be issued in the name of the  
Transferee, unless the signature(s) to this  
assignment corresponds with the name as it  
appears upon the face of the within Note in every  
particular, without alteration or enlargement or  
any change whatever and the Social Security or  
Federal Employer Identification Number of the  
Transferee is supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	as tenants in common	UNIF GIF MIN ACT - _____ (Cust.)
TEN ENT	as tenants by the	Custodian for _____ (Minor)
JT TEN	as joint tenants with right of survivor- ship and not as tenants in common	under Uniform Gifts to Minors Act of _____ (State)

Additional abbreviations may also be used though not in list above.

## EXHIBIT A

### Principal Amortization Schedule

Payment Date <u>(October 1)</u>	Amortization <u>Installment</u>
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