

RESOLUTION NO. 2021 – 3956

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF MIAMI SPRINGS, FLORIDA, AUTHORIZING THE ISSUANCE OF CAPITAL IMPROVEMENT AND EQUIPMENT ACQUISITION REVENUE NOTE, SERIES 2021, OF THE CITY OF MIAMI SPRINGS, FLORIDA, IN THE PRINCIPAL AMOUNT OF \$645,000 FOR THE PURPOSE OF FINANCING THE COSTS OF CONSTRUCTION OF INFRASTRUCTURE IMPROVEMENTS TO THE COMMUNITY CENTER AND THE PURCHASE OF TWO SIDE LOADER SINGLE AXLE GARBAGE/SANITATION TRUCKS AND A FORD F150 FOR PARKS AND RECREATION; AWARDING THE SALE OF THE NOTE TO CITY NATIONAL BANK OF FLORIDA; PROVIDING FOR SECURITY FOR THE NOTE; PROVIDING OTHER PROVISIONS RELATING TO THE NOTE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR ADOPTION OF REPRESENTATIONS; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Miami Springs, Florida (the “City”) issued and advertised Request for Proposals No. 04-20/21, “Capital Improvement and Equipment Acquisition Revenue Note” (the “RFP”) to obtain proposals for financing the costs of construction of infrastructure improvements to the community center and the purchase of two side loader single axle garbage/sanitation trucks and a Ford F150 for parks and recreation (collectively, the “Project”); and

WHEREAS, forty-three banks and financial institutions were provided a copy of this RFP, and three proposals were received by the RFP deadline; and

WHEREAS, upon review of the proposals received, staff determined BciCapital, Inc., a subsidiary of City National Bank of Florida was the lowest most responsive and responsible bidder; and

WHEREAS, BciCapital, Inc., a subsidiary of City National Bank of Florida, has requested that the note be issued in the name of City National Bank of Florida, as purchaser (“Purchaser”); and

WHEREAS, the City Manager recommended that the City award the RFP to Purchaser and allow for the purchase of a note based upon the proposal for a term of five years at a fixed interest rate of 1.5% per annum (the “Proposal”); and

WHEREAS, based on the need to issue the note upon the most favorable market conditions, the City Council of the City (the “City Council”) has determined that it is necessary and advisable and in the best interest of the City and its citizens to accept the Proposal from the Purchaser to purchase the note through a negotiated private placement; and

WHEREAS, on October 25, 2021, the City Council by Resolution No. 2021-3952 accepted the Proposal from the Purchaser and authorize the City Manager to negotiate such other documentation as may be necessary to accomplish the desired financing; and

WHEREAS, the City Council desires to set forth the details of the note based upon the negotiations of the City Manager in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF MIAMI SPRINGS, FLORIDA, AS FOLLOWS:

SECTION 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas Clauses are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

SECTION 2. AUTHORIZATION OF NOTE: Pursuant to the provisions of this Resolution, a revenue note of the City to be designated “City of Miami Springs, Florida Capital Improvement and Equipment Acquisition Revenue Note, Series 2021” (the “Note”), is hereby authorized to be issued in a principal amount of \$645,000.00 for the purpose of financing the costs of the Project.

SECTION 3. TERMS OF THE NOTE:

(a) **General Provisions.** The Note shall be issued in fully registered form without coupons. The principal of and interest on the Note shall be payable when due in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered owner of the Note (“Owner”). Payments shall be made in immediately available funds by no later than 2:00 p.m., Eastern time, on the dates due, free and clear of any defenses, set-offs, counterclaims, or withholdings or deductions for taxes.

The Note shall be dated the date of issuance and delivery and shall be initially issued as one Note in the denomination of \$645,000.00. The Note shall mature on December 1, 2026 (the "Maturity Date").

THE CITY IS NOT OBLIGATED TO PAY THE PRINCIPAL OF THE NOTE OR INTEREST THEREON EXCEPT FROM NON-AD VALOREM REVENUES (AS DEFINED HEREIN) BUDGETED AND APPROPRIATED AS PROVIDED HEREIN AND THE FAITH AND CREDIT OF THE CITY IS NOT PLEDGED TO SECURE THE PAYMENT OF THE SAID PRINCIPAL AND INTEREST OF THE NOTE. THE NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OR AN INDEBTEDNESS OF THE CITY OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, BUT SHALL BE PAYABLE EXCLUSIVELY FROM NON-AD VALOREM REVENUES BUDGETED AND APPROPRIATED AS PROVIDED HEREIN. THE ISSUANCE OF THE NOTE UNDER THE PROVISIONS OF THE CITY CHARTER SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR OR TO MAKE APPROPRIATIONS FOR ITS PAYMENT FROM MONIES DERIVED FROM AD VALOREM TAXES, NOR SHALL THE NOTE CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, AND THE OWNER OF THE NOTE SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION

(b) Interest Rate. The Note shall bear interest on the outstanding principal balance from its date of issuance payable quarterly on each March 1, June 1, September 1, and December 1 with the final payment due on the Maturity Date (the "Interest Payment Dates"), commencing March 1, 2022, at an interest rate equal to 1.50% per annum (the "Interest Rate").

Interest on the Note shall be computed on the basis of a 360-day year consisting of twelve (12) thirty-day months for the actual number of days elapsed.

(c) Prepayment Provisions.

(i) Mandatory Prepayment. The principal of the Note shall be subject to mandatory prepayment in quarterly installments on each March 1, June 1, September 1, and December 1, commencing March 1, 2022, in the amounts set forth in the Amortization Schedule attached to the Note.

(ii) Optional Prepayment. The Note is subject to optional prepayment on or after December 1, 2022, upon three (3) Business Days written notice to the Purchaser, in whole, at a price of par plus accrued interest to the date of prepayment, with no prepayment penalty. As used herein, "Business Day" shall mean any day other than a Saturday, Sunday or a day on which the banks in the State of Florida are required, or authorized or not prohibited, by law (including executive orders) to close and are closed.

SECTION 4. EXECUTION OF NOTE: The Note shall be signed in the name of the City by the Mayor, or City Manager or in their absence, the Vice Mayor, and the City Clerk, or in her absence, the Deputy City Clerk, and its seal shall be affixed thereto or imprinted or reproduced thereon. The signatures of the Mayor, City Manager or Vice Mayor and City Clerk or Deputy City Clerk on the Note may be manual or facsimile signatures, provided that the signature of one of such officers shall be a manual signature. In case any one or more of the officers who shall have signed or sealed any of the Note shall cease to be such officer of the City before the Note so signed and sealed shall have been actually sold and delivered, such Note may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed and sealed such Note had not ceased to hold such office. The Note may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Note shall hold the proper office, although at the date of such Note such person may not have held such office or may not have been so authorized.

SECTION 5. NEGOTIABILITY, REGISTRATION AND CANCELLATION: The City shall serve as Registrar and as such shall keep books for the registration of Note and for the registration of transfers of Note. The Note may be transferred or exchanged upon the registration books kept by the City, upon delivery to the City, together with written instructions as to the details

of the transfer or exchange, of such Note in form satisfactory to the City and with guaranty of signatures satisfactory to the City, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. The Note may be exchanged in whole but not in part for the same aggregate principal amount and Maturity Date. Any transfer of the Note shall be only to an "accredited investor" as such term is defined in the Securities Act of 1933, as amended, and Regulation D thereunder or a "qualified institutional buyer" as that term is defined under Rule 144A of the Securities and Exchange Commission. No transfer or exchange of the Note shall be effective until entered on the registration books maintained by the City.

The City may deem and treat the person in whose name the Note shall be registered upon the books kept by the City as the absolute Owner of such Note, whether such Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Note as they become due and for all other purposes. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

In all cases in which the Note is transferred or exchanged in accordance with this Section, the City shall execute and deliver a Note in accordance with the provisions of this Resolution. All Notes surrendered in any such exchanges or transfers shall forthwith be cancelled by the City. There shall be no charge for any such exchange or transfer of a Note, but the City may require the payment of a sum sufficient to pay any third party tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The City shall not be required to transfer or exchange a Note for a period of 15 days next preceding an Interest Payment Date on the Note.

The City may not transfer its obligations under the Note unless consented to in writing by the Purchaser or Owner of the Note.

The Note, the principal of and interest on which have been fully paid, either at or prior to maturity, shall be promptly delivered to the City on or after such payment is made, and shall thereupon be cancelled.

In case a portion but not all of the outstanding Note shall be prepaid pursuant to mandatory prepayment provisions, such Note shall not be surrendered in exchange for a new Note, but the City shall make a notation indicating the remaining outstanding principal of the Note upon the registration books. The Note so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

SECTION 6. NOTE MUTILATED, DESTROYED, STOLEN OR LOST: In case the Note shall become mutilated or be destroyed, stolen or lost, the City may in its discretion issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in the case of a mutilated Note, in exchange and substitution for such mutilated Note upon surrender of such mutilated Note or in the case of a destroyed, stolen or lost Note in lieu of and substitution for the Note destroyed, stolen or lost, upon the Owner furnishing the City proof of his ownership thereof, satisfactory proof of loss or destruction thereof and satisfactory indemnity, complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur. The City shall cancel all mutilated Notes that are surrendered. If any mutilated, destroyed, lost or stolen Note shall have matured or be about to mature, instead of issuing a substitute Note, the City may pay the principal of and interest on such Note upon the Owner complying with the requirements of this paragraph.

Any such duplicate Note issued pursuant to this section shall constitute original, additional contractual obligations of the City whether or not the lost, stolen or destroyed Note be at any time found by anyone, and such duplicate Note shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the extent as all other Note issued hereunder.

SECTION 7. FORM OF NOTE: The text of the Note shall be of substantially the tenor set forth in Exhibit "A" hereto, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Resolution.

SECTION 8. COVENANT TO BUDGET AND APPROPRIATE: The City hereby covenants and agrees to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues (as defined in this Section) lawfully available in each fiscal year of the City, amounts sufficient to pay the principal and interest due on the Note in accordance with its terms and to pay all required deposits to the Rebate Fund (as defined in Section 13) pursuant to Section 13. “Non-Ad Valorem Revenues” means all revenues of the City derived from any source other than ad valorem taxation on real or personal property and which are legally available to make the payments required under this Resolution, but only after provision has been made by the City for the payment, to the extent are not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the City and (b) all legally mandated services. Such covenant and agreement on the part of the City to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the City, the City does not covenant to maintain any services or programs, now provided or maintained by the City, which generate Non-Ad Valorem Revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor, does it preclude the City from pledging in the future its Non-Ad Valorem Revenues, nor does it require the City to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Noteholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of owners of other notes of the City secured in the same manner as the Note. Such covenant to budget and appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt service on notes and other debt instruments). However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available in the manner described herein Non-Ad Valorem Revenues and placing on the City a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations under this Resolution, subject, however, in all respects to the terms of this Resolution and the

restrictions of Section 166.241(3), Florida Statutes, which provides, in part, that the governing body of each municipality make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment, to the extent not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the City and (b) all legally mandated services.

SECTION 9. NOTE FUND: There is hereby created a fund entitled “City of Miami Springs, Florida Capital Improvement and Equipment Acquisition Revenue Note Fund” (the “Note Fund”). There shall be deposited into the Note Fund no later than each date on which principal or interest is due sufficient amounts of Non-Ad Valorem Revenues as specified in Section 8 hereof which, together with the amounts already on deposit therein, will enable the City to pay the principal of and interest on the Note on each such date or other date when principal may be due. Moneys in the Note Fund shall be applied on each such date to the payment of principal of and interest on the Note coming due on each such date.

Subject to Section 12 hereof, funds in the Note Fund may be invested in Authorized Investments (as defined herein), maturing at or before the time such funds may be needed to pay principal of or interest on the Note.

SECTION 10. APPLICATION OF NOTE PROCEEDS:

The proceeds received upon the sale of the Note shall be deposited simultaneously with the delivery of the Note in the “City of Miami Springs Capital Improvement and Equipment Acquisition Revenue Note, Series 2021 Project Fund” (the “Project Fund”), and used only in connection with the Project.

Subject to Section 12 hereof, funds in the Project Fund may be invested in the following investments, maturing not later than the date or dates on which such proceeds will be needed for purposes of this Resolution, to the extent such investments are legal for investment of municipal funds (“Authorized Investments”):

- (a) The Local Government Surplus Funds Trust Fund;
- (b) Negotiable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States Government at the then prevailing market price for such securities;
- (c) Interest-bearing time deposits or savings accounts in banks organized under the laws of the State of Florida (the "State"), in national banks organized under the laws of the United States and doing business and situated in the State, in savings and loan associations which are under State supervision, or in federal savings and loan associations located in the State and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;
- (d) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to United States Government obligations and to repurchase agreements fully collateralized by such United States Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian; or
- (e) Any other investments that at the time are legal investments for municipal funds and are permitted by the duly approved investment policy of the City.

Subject to Section 13 hereof, any income received upon such investment shall be retained in the Project Fund and applied to costs of the Project or, at the option of the City, deposited in the Note Fund and used to pay interest on the Note until completion of the Project. Subject to Section 13 hereof, after the completion of the Project, any remaining balance in the Project Fund shall be deposited into the Note Fund and used solely to redeem, or pay the principal of, the Note.

The Project Fund shall be kept separate and apart from all other funds of the City and the moneys on deposit therein shall be withdrawn, used and applied by the City solely for the purposes set forth herein. Pending such application, the Project Fund shall be subject to the lien of the Owner of the Note for the payment of the principal of and interest on the Note.

The registered Owner shall have no responsibility for the use of the proceeds of the Note, and the use of such Note proceeds by the City shall in no way affect the rights of such registered Owner. The City shall be obligated to apply the proceeds of the Note solely as provided herein. However, the City shall be irrevocably obligated to continue to pay the principal of and interest on the Note notwithstanding any failure of the City to use and apply such Note proceeds in the manner provided herein.

SECTION 11. FUNDS: Each of the funds and accounts herein established and created shall constitute trust funds for the purposes provided herein for such funds and accounts respectively. The money in such funds and accounts shall be continuously secured in the same manner as deposits of City funds are authorized to be secured by the laws of the State. Except as otherwise provided herein, earnings on any investments in any amounts on any of the funds and accounts herein established and created shall be credited to such respective fund or account.

The designation and establishment of the funds and accounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds, as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the City for the purposes herein provided and to establish certain priorities for application of such revenues and assets.

SECTION 12. INVESTMENTS AND USE OF PROCEEDS TO COMPLY WITH INTERNAL REVENUE CODE OF 1986: The City covenants to the Owner of the Note that it will take all actions and do all things necessary and desirable in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Note, and shall refrain from taking any actions that would cause interest on the Note to be included in gross income for federal income

tax purposes. In particular, the City will not make or direct the making of any investment or other use of the proceeds of the Note which would cause such Note to be a “private activity bond” as that term is defined in Section 141 (or any successor provision thereto) of the Code or an “arbitrage bond” as that term is defined in Section 148 (or any successor provision thereto) of the Code, and all applicable regulations promulgated under the Code, and that it will comply with the applicable requirements of Sections 141 and 148 of the Code and the aforementioned regulations throughout the term of the Note.

SECTION 13. ARBITRAGE REBATE COVENANTS: There is hereby created and established a fund to be held by the City, designated the “City of Miami Springs Capital Improvement and Equipment Acquisition Revenue Note, Series 2021 Rebate Fund” (the “Rebate Fund”). The Rebate Fund shall be held by the City separate and apart from all other funds and accounts held by the City under this Resolution and from all other moneys of the City.

Notwithstanding anything in this Resolution to the contrary, the City shall transfer to the Rebate Fund the amounts required to be transferred in order to comply with the Rebate Covenants, if any, attached as an Exhibit to the tax certificate to be delivered by the City on the date of delivery of the Note (the “Rebate Covenants”), when such amounts are so required to be transferred. The City Manager shall make or cause to be made payments from the Rebate Fund of amounts required to be deposited therein to the United States of America in the amounts and at the times required by the Rebate Covenants. The City covenants for the benefit of the Owner of the Note that it will comply with the Rebate Covenants. The Rebate Fund, together with all moneys and securities from time to time held therein and all investment earnings derived therefrom, shall be excluded from the pledge and lien of this Resolution. The City shall not be required to comply with the requirements of this Section 13 in the event that the City obtains an opinion of nationally recognized bond counsel that (i) such compliance is not required in order to maintain the federal income tax exemption of interest on the Note and/or (ii) compliance with some other requirement is necessary to maintain the federal income tax exemption of interest on the Note.

SECTION 14. SPECIAL COVENANTS:

(a) The City shall, while the Note is outstanding, within two hundred seventy (270) days of the end of each fiscal year of the City, deliver to the Owner a copy of the annual audited financial statements of the City for such fiscal year. Within sixty (60) days of its final adoption, the City shall deliver to the Owner a copy of the operating budget for each upcoming fiscal year of the City. The City shall provide the Owner with any other information it may reasonably request from time to time.

(b) If the City shall default in the due and punctual performance of any covenant, condition, agreement or provision contained in the Note or in this Resolution (except for a default described in subsection (a) or (b) of Section 16 hereof) on the part of the City to be performed, the City shall within five (5) Business Days after it acquires knowledge, notify the Owner in writing (a) of the happening, occurrence, or existence of such default, and (b) of any event or condition which with the passage of time or the giving of notice, or both would constitute an event of default. Such notice shall include a detailed statement by a responsible officer of the City of all relevant facts and the action being taken or proposed to be taken by the City with respect thereto. The date of the receipt of such notice by the Owner shall in no way affect or modify the date of the occurrence of such event of default.

SECTION 15. COVENANTS BINDING ON CITY AND SUCCESSOR: All covenants, stipulations, obligations and agreements of the City contained in this Resolution constitute a contract between the City and the Owner of the Note and shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon the officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the City Council or officer, agent or employee of the City in his or her individual capacity, and neither the members

of the City Council nor any officer, agent or employee of the City executing the Note shall be liable personally on the Note or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 16. EVENTS OF DEFAULT: Each of the following events is hereby declared an “event of default”:

(a) payment of the principal of or amortization installments of the Note shall not be made when the same shall become due and payable; or

(b) payment of any installment of interest on the Note shall not be made when the same shall become due and payable; or

(c) the City shall default in the due and punctual performance of any covenant, condition, agreement or provision contained in the Note or in this Resolution (except for a default described in subsection (a) or (b) of this Section) on the part of the City to be performed, and such default shall continue for thirty (30) days from the earlier of (i) after written notice specifying such default and requiring same to be remedied shall have been given to the City by any Owner of any Note or (ii) when notice was required to be given by the City pursuant to Section 14(b) of this Resolution; provided that it shall not constitute an event of default if the default is not one that can be cured within such thirty (30) days, as agreed by the Owner and the City, and the City commences within such thirty (30) days action to correct such default and such default is corrected within ninety (90) days after the written notice; or

(d) any representation or warranty made in writing by or on behalf of the City in this Resolution or in any closing certificate furnished by the City to the Owner shall prove to have been false or incorrect in any material respect on the date made or reaffirmed; or

(e) the City becomes unable, or admits in writing its inability, to pay its debts generally as they become due, or becomes insolvent or the subject of insolvency proceedings, or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself; or

(f) any proceeding shall be instituted with or without the consent of the City under federal bankruptcy laws or other federal or state laws affecting creditors' rights or any proceeding shall otherwise be instituted for the purpose of effecting a composition between the City and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted and any such proceeding shall not have been dismissed with prejudice within thirty (30) days after the institution of the same.

SECTION 17. REMEDIES; RIGHTS OF OWNERS:

Upon the occurrence and continuance of any event of default specified in Section 17 hereof, the Owner of the Note may pursue any and all available remedy by suit, at law or in equity, to enforce the payment of the principal of and interest on the Note then outstanding. In addition, the Owner may recover all expenses incurred, including without limitation reasonable attorney's fees at all levels of proceedings, whether incurred in connection with collection, bankruptcy proceedings, trial, appeal or otherwise.

No delay or omission to exercise any right or power accruing upon any default or event of default shall impair any such right or power or shall be construed to be waiver of any such default or event of default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any event of default hereunder shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon.

SECTION 18. SALE OF NOTE: Based upon the uncertainty of the interest rate environment if sale of the Note is delayed, and the immediate need by the City for funds required to complete the Project, the City hereby determines the necessity for a negotiated sale of the Note. The City has been provided all applicable disclosure information required by Section 218.385, Florida Statutes. The negotiated sale of the Note to the Purchaser at a purchase price of par is hereby approved.

SECTION 19. AUTHORITY OF OFFICERS: The Mayor or City Manager or in their absence, the Vice Mayor, the City Clerk, or in her absence, the Deputy City Clerk and any other proper official of the City, are and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transaction contemplated by this Resolution and the other documents identified herein.

SECTION 20. SEVERABILITY: In case any one or more of the provisions of this Resolution or of any Note issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or of the Note, but this Resolution and the Note shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The Note is issued and this Resolution is adopted with the intent that the laws of the State shall govern their construction.

SECTION 21. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS: In any case where the date of maturity of interest on or principal of the Note shall not be a Business Day, then payment of such interest or principal need not be made by the City on such date but may be made on the next succeeding Business Day, and payment on such day shall have the same force and effect as if paid on the nominal date for payment.

SECTION 22. OPEN MEETING FINDINGS: It is hereby found and determined that all official acts of the City Council concerning and relating to the adoption of this Resolution and all prior resolutions and ordinances affecting the City Council's ability to issue the Note were taken in an open meeting of the City Council and that all deliberations of the City Council or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

SECTION 23. REPEALING CLAUSE: All resolutions or orders and parts thereof in conflict herewith, to the extent of such conflicts, are hereby superseded and repealed.

SECTION 24. MODIFICATION, AMENDMENT OR SUPPLEMENT: No modification, amendment or supplement of this Resolution, or of any resolution amendatory hereof or supplemental hereto, may be made without the consent in writing of the Owner.

SECTION 25. NO THIRD-PARTY BENEFICIARIES: Except as herein otherwise expressly provided, nothing in this Resolution expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Purchaser and subsequent Owners of the Note issued hereunder, any right, remedy or claim, legal or equitable, under or by reason of this Resolution or any provision hereof, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the Purchaser and the Owners from time to time of the Note issued hereunder.

SECTION 26. EFFECTIVE DATE: This Resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Vice Mayor Bravo who moved its adoption. The motion was seconded by Councilman Vazquez and upon being put to a vote, the vote was as follows:

Vice Mayor Jacky Bravo	<u>YES</u>
Councilman Bob Best	<u>YES</u>
Councilman Dr. Walter Fajet	<u>YES</u>
Councilman Dr. Victor Vazquez	<u>YES</u>
Mayor Maria Puente Mitchell	<u>YES</u>

PASSED AND ADOPTED this 8th day of November, 2021.

ATTEST:


ERIKA GONZALEZ, MMC
CITY CLERK



MARIA PUENTE MITCHELL
MAYOR



APPROVED AS TO FORM AND LEGAL SUFFICIENCY
FOR THE USE AND RELIANCE OF THE CITY OF MIAMI SPRINGS ONLY:


WEISS SEROTA HELFMAN COLE & BIERMAN, P.L.
CITY ATTORNEY

EXHIBIT "A"

ANY OWNER OF THIS NOTE SHALL AT THE TIME OF TRANSFER BE AN "ACCREDITED INVESTOR" AS SUCH TERM IS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED, AND REGULATION D THEREUNDER OR A "QUALIFIED INSTITUTIONAL BUYER" AS THAT TERM IS DEFINED UNDER RULE 144A OF THE SECURITIES AND EXCHANGE COMMISSION.

No. R-1

\$645,000

**UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF MIAMI SPRINGS
CAPITAL IMPROVEMENT AND EQUIPMENT ACQUISITION
REVENUE NOTE
SERIES 2021**

Registered Owner: City National Bank of Florida

Principal Amount: Six Hundred Forty-Five Thousand Dollars and No Cents
(\$645,000.00)

KNOW ALL MEN BY THESE PRESENTS, that the City of Miami Springs, Florida (the "City"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns (the "Owner"), from the sources hereinafter mentioned, the Principal Amount specified above, together with interest on the Principal Amount outstanding at the rate of interest hereinafter provided. Subject to the rights of prior prepayment and redemption described in the Note, the Note shall mature on December 1, 2026 (the "Maturity Date"). Payments due hereunder shall be made no later than 2:00 p.m., Eastern time, on the date due, free and clear of any defenses, set-offs, counterclaims, or withholding or deductions for taxes.

The Note is issued under authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Part II of Chapter 166, Florida Statutes, as amended, the Charter of the City and Resolution No. 21-__ adopted on November 8, 2021 (the "Note Resolution"), and is subject to the terms of said Note Resolution.

The Note is issued for the purpose of financing the costs of construction of infrastructure improvements to the community center and the purchase of two side loader single axle garbage/sanitation trucks and a Ford F150 for parks and recreation (collectively, the "Project"). The Note shall be payable only from the sources identified herein. All terms

used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Note Resolution.

The Note shall bear interest on the outstanding principal balance from its date of issuance payable quarterly on each March 1, June 1, September 1, and December 1 with the final payment due on the Maturity Date (the "Interest Payment Dates"), commencing March 1, 2022, at an interest rate equal to 1.50% per annum (the "Interest Rate").

No presentment shall be required for payment on this Note.

Interest on the Note shall be computed on the basis of a 360-day year consisting of twelve (12) thirty-day months for the actual number of days elapsed.

The principal of and interest on the Note are payable in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered Owner, or its legal representative at the address of the Owner as it appears on the registration books of the City.

Mandatory Prepayment. The principal of this Note shall be subject to mandatory prepayment in quarterly installments on each March 1, June 1, September 1 and December 1 commencing March 1, 2022, in the amounts set forth in the Amortization Schedule attached to this Note.

Optional Prepayment. This Note is subject to optional prepayment on or after December 1, 2022, upon three (3) Business Days written notice to the Owner, in whole, at a price of par plus accrued interest to the date of prepayment, with no prepayment penalty. As used herein, "Business Day" shall mean any day other than a Saturday, Sunday or a day on which the banks in the State of Florida are required, or authorized or not prohibited, by law (including executive orders) to close and are closed.

THE CITY IS NOT OBLIGATED TO PAY THE PRINCIPAL OF THIS NOTE OR INTEREST THEREON EXCEPT FROM NON-AD VALOREM REVENUES (AS DEFINED HEREIN) BUDGETED AND APPROPRIATED AS PROVIDED HEREIN AND THE FAITH AND CREDIT OF THE CITY IS NOT PLEDGED TO SECURE THE PAYMENT OF THE SAID PRINCIPAL AND INTEREST OF THIS NOTE. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OR AN INDEBTEDNESS OF THE CITY OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, BUT SHALL BE PAYABLE EXCLUSIVELY FROM NON-AD VALOREM REVENUES BUDGETED AND APPROPRIATED AS PROVIDED HEREIN. THE ISSUANCE OF THIS NOTE UNDER THE PROVISIONS OF THE CITY CHARTER SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR OR TO MAKE APPROPRIATIONS FOR ITS PAYMENT FROM MONIES DERIVED FROM AD VALOREM TAXES, NOR SHALL THIS NOTE CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR

EQUITABLE, UPON ANY PROPERTY OF THE CITY, AND THE OWNER OF THIS NOTE SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION

The City has covenanted and agreed in the Note Resolution to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues (as defined below) lawfully available in each fiscal year of the City, amounts sufficient to pay the principal and interest due on this Note in accordance with its terms and to pay all required deposits to the Rebate Fund pursuant to Section 13 of the Note Resolution. "Non-Ad Valorem Revenues" means all revenues of the City derived from any source other than ad valorem taxation on real or personal property and which are legally available to make the payments required under the Note Resolution, but only after provision has been made by the City for the payment, to the extent are not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the City and (b) all legally mandated services. Such covenant and agreement on the part of the City to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the City, the City does not covenant to maintain any services or programs, now provided or maintained by the City, which generate Non-Ad Valorem Revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor, does it preclude the City from pledging in the future its Non-Ad Valorem Revenues, nor does it require the City to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Noteholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of owners of other notes of the City secured in the same manner as the Note. Such covenant to budget and appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt service on notes and other debt instruments). However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available in the manner described herein Non-Ad Valorem Revenues and placing on the City a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations under the Note Resolution, subject, however, in all respects to the terms of the Note Resolution and the restrictions of Section 166.241(3), Florida Statutes, which provides, in part, that the governing body of each municipality make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment, to the extent not otherwise provided for by ad valorem taxes, of (a) all services necessary for conducting of the public safety and general governmental obligations of the City and (b) all legally mandated services.

Upon the occurrence and continuance of any event of default specified in Section 17 of the Note Resolution, the Owner of the Note may pursue any and all available remedy by

suit, at law or in equity, to enforce the payment of the principal of and interest on the Note then outstanding. In addition, the Owner may recover all expenses incurred, including without limitation reasonable attorney's fees at all levels of proceedings, whether incurred in connection with collection, bankruptcy proceedings, trial, appeal or otherwise

The original registered Owner, and each successive registered Owner of this Note shall be conclusively deemed to have agreed and consented to the following terms and conditions:

1. The City shall keep books for the registration of this Note and for the registration of transfers of this Note as provided in the Note Resolution. This Note may be transferred or exchanged upon the registration books kept by the City, upon delivery to the City, together with written instructions as to the details of the transfer or exchange, of such Note in form satisfactory to the City and with guaranty of signatures satisfactory to the City, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. This Note may be exchanged for a Note of the same aggregate principal amount and Maturity Date. Any transfer of this Note, the transferee shall be an "accredited investor" as such term is defined in the Securities Act of 1933, as amended, and Regulation D thereunder or a "qualified institutional buyer" as that term is defined under Rule 144A of the Securities and Exchange Commission. No transfer or exchange of this Note shall be effective until entered on the registration books maintained by the City.

2. The City may deem and treat the person in whose name this Note shall be registered upon the books of the City as the absolute Owner of this Note, whether this Note shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on this Note as they become due, and for all other purposes. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon this Note to the extent of the sum or sums so paid.

3. In all cases in which the privilege of exchanging this Note or transferring this Note is exercised, the City shall execute and deliver a new Note in accordance with the provisions of the Note Resolution. There shall be no charge for any such exchange or transfer of this Note, but the City may require payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The City shall not be required to transfer or exchange this Note for a period of fifteen (15) days next preceding an interest payment date on this Note. The obligations of the City under this Note shall not be transferred without the prior written consent of the Owner.

4. This Note, the principal of and interest on which have been paid, either at or prior to maturity, shall be delivered to the City when such full payment is made, and shall thereupon be cancelled. In case a portion but not all of this Note shall be prepaid pursuant

to mandatory prepayment provisions, this Note shall not be surrendered in exchange for a new Note, but the City shall make a notation indicating the remaining outstanding principal of this Note upon the registration books. The Note so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

It is hereby certified and recited that all acts, conditions and things required to happen, to exist and to be performed precedent to and for the issuance of this Note have happened, do exist and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Florida applicable thereto.

IN WITNESS WHEREOF, the City of Miami Springs, Florida has caused this Note to be executed by the manual or facsimile signature of its Mayor and of its City Clerk, and the Seal of the City of Miami Springs, Florida or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon, all as of the ___ day of November, 2021.

CITY OF MIAMI SPRINGS, FLORIDA

Mayor

(SEAL)

City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned _____ (the "Transferor"), 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 appoints _____ (the "Transferee") 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 _____

_____ Social Security Number of Assignee

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 Note, 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.)

Custodian for _____,
 (Minor)

TEN ENT - as tenants by the entirety under Uniform Gifts to Minors Act of _____.
 (State)

JT TEN - as joint tenants with right of survivorship and not as tenants in common

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

AMORTIZATION SCHEDULE

Payment No.	Payment Date	Principal	Interest	Total	Balance
1	03/01/2022				
2	06/01/2022				
3	08/01/2022				
4	12/01/2022				
5	03/01/2023				
6	06/01/2023				
7	09/01/2023				
8	12/01/2023				
9	03/01/2024				
10	06/01/2024				
11	09/01/2024				
12	12/01/2024				
13	03/01/2025				
14	06/01/2025				
15	09/01/2025				
16	12/01/2025				
17	03/01/2026				
18	06/01/2026				
19	09/01/2026				
20	12/01/2026				