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COMMISSION MEETING CITY OF ST. PETE BEACH

155 Corey Avenue

Tuesday, May 12, 2015

6:00 PM

Call to Order
Pledge of Allegiance
Invocation
Roll Call

REGULAR MEETING

1. **Presentations** - Presentations shall be limited to 5 minutes for non-city government related items.
 - a. **Proclamation - Women's Lung Health Week**
2. **Changes to the Agenda** - Any agenda items to be added, moved, or deleted will be addressed at this time. Added items will be assigned agenda item numbers and moved items should remain with the same item numbers. Notation will be made that those items will be taken out of order. Consent items may be removed for discussion, changes, and/or anticipation of a non-unanimous vote and considered separately on the request of anyone on the Commission or by a majority vote of the City Commission upon request of an audience member.
3. **Audience Comments** - Comments shall be limited to 3 minutes per person to issues not on the agenda, 21 minutes in total.
4. **Consent**
 - a. **Approval of minutes from the March 24, 2015 Regular City Commission meeting and the April 14, 2015 Workshop Meeting.**
 - b. **Authorize the City Manager to enter into a purchase agreement with Don Reid Ford Inc., in the amount of \$24,166.00 for the purchase of a Pick-Up truck.**

- c. Authorization to approve special event application for the Surfers for Autism event to be held in Pass-a-Grille on July 11, 2015. The event would require street closures and alcohol on 9th and 10th Avenues between Gulf Way and Pass-a-Grille Way and Gulf Way from 11th to 9th Avenue.**
- d. Authorize the City Manager to enter into a purchase agreement with Taborelli Construction, Inc. (TBI) in the amount of \$48,403.03 for the design and construction of two dune walkovers.**

5. Action Items

- a. Agreement for Utility Relocations between the City of St. Pete Beach and Pinellas County for Pass-A-Grille Way.**
- b. Authorize the City Manager to sign a Letter of Intent for Advance Payment of \$56,784.87 to Verizon to underground service on Pass-A-Grille Way from Cabrillo Avenue to 1st Avenue.**

6. Ordinances

- a. Ordinance No 2015-06, Final Reading and Public Hearing, amending Chapter 6, Alcoholic Beverages of the City of St. Pete Beach Code of Ordinances relating to public consumption or possession of alcoholic beverages**
- b. Ordinance No 2015-02 Final Reading and Public Hearing, Outdoor Dining Areas; Definitions and Use Permissions for Eating and Drinking Establishments**
- c. Ordinance No 2015-03 Final Reading and Public Hearing, Off-Premise and Commercial Parking**
- d. Ordinance 2015-08, Final Reading and Public Hearing, an ordinance of the City of St. Pete Beach authorizing the issuance of a bond not to exceed \$13,000,000 in aggregate principal amount for acquiring, constructing and equipping various capital improvements.**
- e. Ordinance 2015-09, Final Reading and Public Hearing, an ordinance of the City of St. Pete Beach authorizing the issuance of a bond not to exceed \$3,000,000 in aggregate principal amount for the stormwater utility system.**

7. Resolutions

- a. Resolution 2015-06; a resolution of the City of St. Pete Beach, Florida authorizing the issuance of stormwater improvement assessments bonds.**
- b. Resolution 2015-07; a resolution of the City of St. Pete Beach, Florida authorizing the issuance of not to exceed \$13,000,000 in aggregate principal amount of the City of St. Pete each, Florida Capital Improvement Revenue Bonds, Series 2015 for the principal purposes of acquiring, constructing and equipping various capital improvements within the City.**

8. Items for Discussion – None for this agenda

9. Audience Comments 2 - Comments shall be limited to 3 minutes per person to issues not on the agenda, 21 minutes in total.

10. City Clerk, City Manager, City Attorney and City Commission Reports

11. Adjournment

APPEAL

If a person decides to appeal any decision made at this meeting, they will need a record of the proceeding and, for such purpose, may need to ensure that a verbatim record of the meeting is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105) The City does not furnish verbatim transcripts; interested parties should make the necessary arrangements for verbatim transcripts.

AMERICAN DISABILITIES ACT

In Accordance with the American's with Disabilities Act and F.S. 286.26, persons with disabilities needing special accommodations to participate in this meeting should contact City Hall at (727) 367-2735 no later than (4) days prior to the meeting for assistance.

The public is cordially invited to attend. All agenda material is available for review at City Hall.



PROCLAMATION

WHEREAS, every five minutes, a woman in the United States is told she has lung cancer; and,

WHEREAS, lung cancer is the #1 cancer killer of women in the United States; and,

WHEREAS, the lung cancer death rate in women has nearly doubled over the past 37 years; and,

WHEREAS, advocacy and increased awareness will result in more and better treatment for women with lung cancer and other lung diseases and will ultimately save lives; and,

WHEREAS, 'LUNG FORCE' is the national movement led by the American Lung Association with the mission of making lung cancer history, uniting women to stand together with a collective strength and determination to lead the fight against lung cancer and in support of healthy lungs.

NOW, THEREFORE, I, Maria Lowe, Mayor of the City of St. Pete Beach, on behalf of the City Commission designate the second full week in the month of May as,

'Women's Lung Health Week'

And encourage all residents to learn more about the detection and treatment of lung cancer.

Seal:

IN WITNESS WHEREOF, I have set my hand and caused the Seal of the City of St Pete Beach, County of Pinellas County, State of Florida, to be affixed this 12th day of May, 2015.

Maria Lowe, Mayor

CITY COMMISSION MEETING

MINUTES

MARCH 24, 2015

6:00 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENT:

Maria Lowe, Mayor
Melinda Pletcher, Vice Mayor
Terri Finnerty, Commissioner
Rick Falkenstein, Commissioner
Gregory Premer, Commissioner

ALSO PRESENT:

Wayne Saunders, City Manager
Andrew Dickman, City Attorney
Rebecca C. Haynes, City Clerk
Elaine Edmunds, Administrative Services Director
Jennifer McMahon, Recreation Director
Stephen Yurcaba, IT Specialist
Matt McLachlan, Planning Consultant/Calvin, Giordano & Associates

INSTALLATION

Installation of District 2 Commissioner

Mr. Bruno Falkenstein, brother of Commissioner Rick Falkenstein, provided the Oath of Office to Commissioner Falkenstein with family members in attendance.

Installation of District 4 Commissioner

Rebecca Haynes, City Clerk, provided the Oath of Office to Commissioner Melinda Pletcher with family members in attendance.

Adjourn to Regular Meeting

There being no further business, the installation meeting was adjourned at 6:15 p.m.

REGULAR MEETING

ROLL CALL:

Maria Lowe, Mayor
Terri Finnerty, Commissioner
Rick Falkenstein, Commissioner
Gregory Premer, Commissioner
Melinda Pletcher, Commissioner

1. Presentations

- a. Proclamation – Command Sergeant Major Gary Lee Littrell, Medal of Honor Recipient

Mayor Lowe read the proclamation recognizing CSM Littrell, resident of St. Pete Beach and veteran of the Vietnam War, as a Medal of Honor Recipient.

2. Changes to the Agenda

City Attorney Andrew Dickman requested to move Item 4(b) from the Consent Agenda and acted upon as the first action item.

3. Audience Comments

John Michael, Bay Street, requested clarification in regard to audience comments and questioned the cost of replacing parking pay stations. City Manager Wayne Saunders replied that he will contact Mr. Michael with an answer.

Jan Paalberg, St. Pete Beach, congratulated the commissioners, spoke in support of taxpayers and hotel owners as equal shareholders, voiced concern in regard to CIP projects, and spoke in support of internal recruitment for the Fire Chief position.

Tom DeYampert, 78th Avenue, offered his appreciation to the City in regard to the Sunset Festival celebration and provided an update on its success.

Bruno Falkenstein, Pass-A-Grille Way, commented on the City moving forward, mentioned turtle season which begins April 1st for nesting and May 1st for lighting restrictions, and extended his congratulations to Commissioners Rick Falkenstein and Melinda Pletcher.

Bill Pyle, Sunset Way, offered his congratulations to the newly elected commissioners.

4. Consent

- a. Approval of minutes from the January 13, 2015 and the January 27, 2015 City Commission Meeting
- c. Authorization to approve special event application for Pass-A-Grille Beach Community Church Easter Sunrise Service scheduled for April 5, 2015. The event would require street closures on April 5, 2015

City Manager Saunders reviewed the items and recommended approval as amended.

Commissioner Pletcher moved to approve Consent Items 4(a) and (c) as presented. The motion was seconded by Commissioner Premier.

Mayor Lowe called for audience comments.

Hearing no audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

5. Action Items

- 4(b) Authorization to approve special event application and street closure for the St. Pete Beach 5K Series scheduled for June 26, July 24, and August 21, 2015. Closures would be 9th Avenue from Gulf Way to Pass-A-Grille Way from 4:00 p.m. to 9:30 p.m.

Item 4(b) was removed from the Consent Agenda and added as the first item under Action Items.

City Manager Saunders introduced Item 4(b).

Recreation Director Jennifer McMahon explained that the event historically based its activities around the Post Card Inn but requested to utilize Hurley Park for this year's event. Due to the anticipated construction of Pass-A-Grille Way, the event was moved to take place at Pass-A-Grille Park, between 9th and 10th Avenues.

Commissioner Falkenstein noted the event will occur next to his family-owned business and could possibly benefit from it; therefore, he will abstain from voting on this item. Form 8B, "Memorandum of Voting Conflict for County, Municipal and Other Local Public Officers," will be submitted to the City Clerk.

Commissioner Premier moved to approve Item 4(b), to approve the special event application and street closure for the St. Pete Beach 5K Series scheduled for June 26, July 24 and August 21, 2015, reserving the right to refuse and relocate after June 26th with City staff making the recommendation of changing the location; closures would be 9th Avenue

from Gulf Way to Pass-A-Grille Way from 4:00 p.m. to 9:30 p.m. The motion was seconded by Commissioner Finnerty.

Mayor Lowe called for audience comments.

John Michael, Bay Street, suggested event attendees be given parking validation cards to prevent parking tickets.

Hearing no further audience comments, Mayor Lowe called for the vote.

The motion was approved by an individual roll call vote, 4-1 with Commissioner Falkenstein abstaining from the vote.

a. Election of Vice Mayor

Commissioner Pletcher noted that it was an honor to serve as Vice Mayor.

Commissioner Pletcher recommended that Commissioner Finnerty serve as Vice Mayor. Commissioner Premier and Commissioner Falkenstein noted their concurrence.

Commissioner Pletcher moved to nominate Commissioner Finnerty to serve as Vice Mayor. The motion was seconded by Commissioner Premier.

Mayor Lowe called for audience comments.

Deborah Schechner, Boca Ciega Isle Drive, commented that Commissioner Finnerty has made numerous contributions to the City.

Bill Pyle, Sunset Way, spoke in support of Commissioner Finnerty to serve as Vice Mayor.

Hearing no further audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

b. Board Appointments – Barrier Islands Government Council (BIG C), Metropolitan Planning Organization (MPO), Tampa Bay Regional Planning Council (TBRPC), Suncoast League of Cities (SLC) and Pinellas County Flood Insurance Coalition (PCFIC)

Mayor Lowe requested to add the Pinellas Mayors Council (PMC) and the Florida League of Cities (FLC), and to remove the MPO appointments. The following appointments were made:

Board
Big C

Representative
Mayor Lowe

Alternate
Vice Mayor Finnerty

FLC	Commissioner Pletcher	Commissioner Premier
PMC	Vice Mayor Finnerty	Mayor Lowe
PCFIC	Commissioner Pletcher	Commissioner Premier
SLC	Commissioner Premier	Commissioner Falkenstein
TBRPC	Commissioner Falkenstein	Commissioner Pletcher

Commissioner Premier moved to approve the Board Appointments as listed. The motion was seconded by Commissioner Falkenstein.

Mayor Lowe called for audience comments.

Hearing no audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

- c. Authorization for the City Manager to enter into an agreement with Mercer Group, Inc. to provide services for the search for the Fire Chief in the amount of \$12,500

City Manager Saunders reported that three quotes were received and the Mercer Group was the low bidder, with a deadline of 30-45 days to provide a list of qualified applicants to the City.

Mayor Lowe expressed appreciation to City Manager Saunders for keeping the Commission and the community updated on the personnel decisions he makes.

Commissioner Pletcher moved to approve Item 5(c), to authorize the City Manager to enter into an agreement with Mercer Group, Inc. to provide services in the search for the Fire Chief position in the amount of \$12,500. The motion was seconded by Commissioner Falkenstein.

Mayor Lowe called for audience comments.

John Michael, Bay Street, spoke against utilizing a recruitment firm and hiring outside current City staff.

Hearing no further audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

- d. Update on Waste Water Bank RFP, authorization to proceed with selecting the Bank and related Term Option recommended by the City Selection Committee and City's Financial Advisor

City Manager Saunders reviewed the funding for upcoming projects and stated this note will provide a portion of the funds for the Pass-A-Grille Way Repaving Project, a Utility System Lift Station and replacement of Force Main 3.

Jeff Larson, Larson Consulting Services, LLC, reported that six banks responded to the Request for Proposals with multiple ten, fifteen and twenty-year term options. Mr. Larson recommended the twenty-year fixed rate option at a 4.02% rate, which will provide for a lower average annual debt service budget amount for the City.

Vice Mayor Finnerty moved to approve Item 5(d), to authorize the City Manager to proceed with the selection of Center State Bank as the lender for the City's proposed Waste Water Utility Note, Series 2015, of up to \$5,000,000 and for the twenty-year term option per the recommendation of the City's Selection Committee and City's Financial Advisor. It is further moved to authorize the City Manager to execute the Center State Bank commitment letter and the Interest Rate Lock Agreement, subject to review by the City Attorney, Bond Counsel and Financial Advisor, and to perform any other action to secure the commitment and lock in the rate. The motion was seconded by Commissioner Premier.

Mayor Lowe called for audience comments.

John Michael, Bay Street, questioned the security of the loan.

Hearing no further audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

- e. Approval of Greenberg Traurig, P.A. as Disclosure Counsel for the proposed Capital Improvement Revenue Bonds, Series 2015

Mr. Larson explained that the disclosure counsel previously approved by the Commission resigned due to a conflict. The selection committee reviewed the remaining proposals and recommended Greenberg Traurig, P.A. to serve as disclosure counsel.

Commissioner Premier moved to approve Item 5(e), to authorize the City Manager to enter into an agreement with Greenberg Traurig, P.A., as Disclosure Counsel for the City of St. Pete Beach upon review and approval of the City Manager. The motion was seconded by Falkenstein.

Mayor Lowe called for audience comments.

Hearing no audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

6. Ordinances

- a. Ordinance 2015-07, First Reading and Public Hearing, an ordinance of the City of St. Pete Beach authorizing the issuance of a bond not to exceed \$5,500,000 in aggregate principal amount for the wastewater utility system

City Manager Saunders reported that the adoption of an ordinance is necessary when entering into a bond issue.

Commissioner Pletcher moved to approve Item 6(a), Ordinance 2015-07 upon first reading, an ordinance authorizing the issuance of not to exceed \$5,500,000 in aggregate principal amount of a Waste Water Utility System Revenue Bond, Series 2015, of the City of St. Pete Beach, Florida to finance the acquisition, construction and equipping of various Waste Water Utility Capital Improvements within the City; pledging the herein described pledged funds to secure the payment of the principal, redemption premium, if any, and interest on such bond; providing for the rights of the holder of such bond; and providing an effective date. The motion was seconded by Commissioner Premer.

Mayor Lowe called for audience comments.

John Michael, Bay Street, spoke against adoption of the ordinance and issuance of the bond.

Hearing no further audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

- b. Ordinance 2015-04, First Reading and Public Hearing, amending Chapter 46 of the City of St. Pete Beach Code of Ordinances to create Article V - Chronic Nuisance Property Code

Matt McLachlan, Planning Consultant reviewed the specifics of the proposed ordinance.

Vice Mayor Finnerty moved to approve Item 6(b), Ordinance 2015-04 upon first reading, an ordinance of the City of St. Pete Beach, Florida creating Article V in Chapter 46 of the Code of Ordinances, to be titled Chronic Nuisance Property Code, relating to the provision of chronic nuisance services by the City; authorizing the imposition and collection of chronic nuisance service assessments against real property; establishing a procedure for imposing chronic nuisance service assessments; providing that the lien for a chronic nuisance service assessment collected pursuant to Sections 197.3632 and 197.3635, Florida Statutes, shall be perfected and shall attach to the property upon adoption of the assessment roll; providing that a perfected lien shall be equal in rank and dignity with the

liens of all state, county, district or municipal taxes and assessments and superior in dignity to all other prior liens, mortgages, titles and claims; providing for a codification clause; providing a conflict and severability clause; and providing an effective date. The motion was seconded by Commissioner Premer.

Mayor Lowe called for audience comments.

John Michael, Bay Street, spoke against adoption of the ordinance and perceived potential for harassment.

Deborah Schechner, Boca Ciega Isle Drive, spoke in support of the ordinance.

Hearing no further audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

7. Resolutions

- a. Resolution 2015-03, appointing the Parking Citation Hearing Officer, Administrative Appeals Hearing Officer and Special Magistrate through December 31, 2015

City Manager Saunders noted that the Special Magistrate was appointed in December of 2014 on a 120-day basis to allow City Attorney Dickman to meet with him and review procedures.

Commissioner Pletcher moved to approve Item 7(a), Resolution 2015-03, a resolution of the City of St. Pete Beach, Pinellas County, Florida, appointing Herbert Langford as the Parking Citation Hearing Officer, Administrative Appeals Hearing Officer and Special Magistrate through December 31, 2015. The motion was seconded by Vice Mayor Finnerty.

Mayor Lowe called for audience comments.

Hearing no audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

- b. Resolution 2015-04, acceptance of the votes cast in the Municipal Election held on March 10, 2015

City Manager Saunders explained the proposed resolution provides for the Commission to officially accept the votes cast in the municipal election.

Commissioner Falkenstein moved to approve Item 7(b), Resolution 2015-04, a resolution of the City of St. Pete Beach, Pinellas County, Florida, providing for the acceptance of the votes cast in the Municipal Election held March 10, 2015. The motion was seconded by Vice Mayor Finnerty.

Mayor Lowe called for audience comments.

Hearing no audience comments, Mayor Lowe called for the vote.

The motion was unanimously approved by an individual roll call vote.

8. Board Appointments

- a. Appointments to Advisory Boards and Committees

Item 8(a) was continued to the April 14, 2015 Commission meeting for advisory board appointments by Commissioners Falkenstein and Pletcher.

9. Items for Discussion

Commissioner Falkenstein requested an update on the Pass-A-Grille Way Reconstruction Project, which was provided by City Manager Saunders.

Mayor Lowe and City Manager Saunders introduced Community Development Director Jennifer Bryla.

10. Audience Comments

Deborah Schechner, Boca Ciega Isle Drive, commented on the City's website.

11. City Clerk, City Manager, City Attorney and City Commission Reports

Mayor Lowe thanked the City Clerk and staff for successfully overseeing the municipal election.

City Manager Saunders reported on the following items:

- Requested to schedule a special workshop to review the beach ordinance with the University of Florida staff. April 21st at 9:00 a.m. was selected.
- Provided an update from the Pinellas County Sheriff's Office (PCSO) on the increase of patrol units on the beach with the additional costs absorbed by the PCSO

Commissioner Falkenstein reported on the following items:

- The 'Public Stuff' application which will be available to the public by May 1st
- FDOT signage that should read 'St. Pete Beach'

- Signage at the corner of 75th Avenue and Gulf Boulevard to read, 'No Right Turn on Red'
- Upham Beach Neighborhood Watch drew 42 participants at their last meeting
- Commission and City Staff involvement in the St. Pete Beach 60th Anniversary celebration
- Trash collection the past weekend did not occur on the beach
- Installation of a newly requested crosswalk at 71st Avenue and Gulf Boulevard
- Continuing Ethics Workshop for elected officials mandated by the State
- Utilizing Penny for Pinellas funds for construction of a new soccer field
- Equitable distribution of sales tax collected through the City

Commissioner Pletcher reported on the following items:

- The fourth annual Veterans of South Pinellas celebration on March 28th
- Texts received in regard to parking issues, increased trash on the beaches, etc.

Commissioner Premier reported on the following items:

- Timers on pedestrian crosswalk signals
- Michigan State University game this weekend
- Encouraged the community to contact their elected officials at the State level where the representatives are currently discussing vacation rentals, red light cameras, municipal pension reform, water quality, public records and related frivolous lawsuits, and concealed weapons allowed on college campuses

Commissioner Falkenstein requested a link be added to the City's website with contact information for Tallahassee representatives.

Vice Mayor Finnerty reported on the following items:

- Signage update for Gulf Beaches Elementary School on Blind Pass Road, 85th Avenue, 87th Avenue and Boca Ciega Drive
- Expressed appreciation to the City Manager in regard to the Quarterly Employee Luncheon
- Attended a meeting in regard to SWFMWD grants and the funding cycle
- Support Our Troops has three new volunteers and will sponsor a tent at the Veterans of South Pinellas event

Mayor Lowe reported on the following items:

- State of the City Address scheduled for 5:00 p.m. on Friday, May 1, 2015, with individual district updates and an overall, comprehensive update with the potential of broadcasting the meeting at the Beach Ball Bash immediately following at 6:00 p.m. in Horan Park
- Installation of a pedestrian pathway to allow for access to the Bayway Bridge south of the Don Cesar Hotel
- Installation of landscaping at the Bayway Bridge

- Expressed appreciation to City staff for successfully obtaining a permit to allow for two trained individuals to propel off the Bayway Bridge during the Bayway Bridge dedication ceremony
- Provided an update on the opportunity to speak at a Leadership & Ethics Conference
- Provided an update on the dedication of the Bayway Bridge on March 28th in tribute to Medal of Honor Recipient Gary Littrell

12. Adjournment

There being no further business to come before the Commission, the meeting was adjourned at 9:40 p.m.

Attest:

Rebecca C. Haynes, City Clerk

Maria Lowe, Mayor

Minutes approved on: _____

CITY COMMISSION MEETING - WORKSHOP

MINUTES

APRIL 14, 2015

4:30 P.M.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENT:

Maria Lowe, Mayor
Terri Finnerty, Vice Mayor
Rick Falkenstein, Commissioner
Gregory Premer, Commissioner
Melinda Pletcher, Commissioner (arrived at 4:40 p.m.)

ALSO PRESENT:

Wayne Saunders, City Manager
Andrew Dickman, City Attorney
Rebecca C. Haynes, City Clerk
Jennifer Bryla, Community Development Director
Jennifer McMahon, Recreation Director
Stephen Yurcaba, IT Specialist
Matt McLaughlin, Planning Consultant/Calvin, Giordano & Associates

1. Items for Discussion

City Manager Saunders listed the proposed ordinances. He noted that he and City Attorney Dickman are currently discussing enforcement issues with legal counsel from the Pinellas County Sheriff's Office (PCSO). Since the three ordinances are interconnected, Mr. Saunders recommended receiving input on the three ordinances during the workshop but tabling any action to the April 14, 2015 Commission Meeting to allow for additional clarification.

- a. Discussion of Ordinance No. 2015-02: Outdoor Dining Areas; Definitions and Use Permissions for Eating and Drinking Establishments

Matt McLaughlin, Calvin, Giordano & Associates, reported that Ordinance No. 2015-02 establishes the following:

- ✓ The current definition and use classifications for eating and drinking establishments to reduce the number of classifications from twelve to six and to standardize the nomenclature.
 - ✓ The permitting procedure and general requirements for outdoor dining and drinking areas on private property and specific, additional permitting for the public right-of-way areas.
- b. Discussion of Ordinance No. 2015-03: Off-Premise and Commercial Parking

Mr. McLaughlin reported that Ordinance No. 2015-03 accomplishes the following:

- ✓ Redefines and clarifies the meaning of an off-premise parking lot and a commercial parking lot, and establishes new definitions for off-premise and commercial parking structures.
 - ✓ Amends the general parking requirements for off-premise parking.
- c. Discussion of Ordinance No. 2015-06: Amending Chapter 6, Alcoholic Beverages, of the City of St. Pete Beach Code of Ordinances relating to public consumption or possession of alcoholic beverages.

Mr. Saunders recommended allowing staff to continue discussions with the PCSO representative prior to completing the language contained in the ordinance.

Mayor Lowe stated that anyone wishing to comment on the above ordinances can provide input at the regular meeting which immediately follows the workshop.

2. Adjournment

There being no further business to come before the Commission, the meeting was adjourned at 6:05 p.m.

Attest:

Rebecca C. Haynes, City Clerk

Maria Lowe, Mayor

Minutes approved on: _____

**St. Pete Beach City Commission
Agenda Report**

Issue Considered: Authorize the City Manager to enter into a purchase agreement with Don Reid Ford Inc., in the amount of \$24,166.00 for the purchase of a Pick-Up truck.

Date: May 12, 2015

Prepared By: Ian Wade, Project Manager

Through: John Kretzer, Interim Public Services Director

Summary of Issue: The Reclaimed Water pick-up truck #180, ID #7267, is scheduled to be replaced this year. The old truck is approaching 13 years old and has had increasing mechanical and body problems.

This pick-up truck is primarily used for reclaimed water repairs, utility locates and cleaning storm drains.

We recommend piggybacking on the Florida Sheriff's Association Contract 14-22-0904 & 14-12-0904, valid October 1, 2014 – September 30, 2015, for the purchase of the pick-up truck.

Funding: FY2015 Public Services Department – Reclaimed Water – Vehicles - 102.6108.537.5641. There is \$25,000 budgeted.

Requested Motion: “I move to authorize the City Manager to enter into a purchase agreement with Don Reid Ford Inc., in the amount of \$24,166.00 for the purchase of a pick-up truck.”

Attachments: Purchase Agreement
Quote Sheet

**Reviewed by
City Manager:** WS

CITY OF ST. PETE BEACH, FLORIDA
PURCHASING AGREEMENT

Don Reid Ford

THIS AGREEMENT is hereby executed this 2nd day of December, 2014, between the CITY OF ST. PETE BEACH, FLORIDA (hereinafter "CITY") and Don Reid Ford, Inc. (hereinafter "VENDOR"), as follows:

WHEREAS, City is desirous of purchasing from Vendor the goods or services described in this agreement; and

WHEREAS, Vendor is in the business of providing the goods or services described herein, and has submitted an appropriate proposal to the City to provide the same; and

WHEREAS, this agreement has been properly approved by the appropriate authority of the City and the Vendor.

NOW, THEREFORE, upon the mutual covenants contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto hereby agree to the following:

1. City hereby agrees to purchase, and Vendor hereby agrees to sell or provide, the goods or services described in the proposal attached hereto and incorporated herein.

2. Vendor shall deliver the goods, or provide the services, described herein no later than September 30, 2015.

3. Time is of the essence in the performance of this contract. City shall be entitled to liquidated damages in the amount of \$500 per day, for each day subsequent to the date set forth in paragraph 2 hereof that Vendor has failed to properly and completely deliver all of the goods or provide all of the services herein specified. Vendor specifically acknowledges that the foregoing sum is reasonable and does not constitute a penalty.

4. Upon Vendor's satisfactory delivery of the goods, or full performance of the services, or in accordance with the payment schedule provided in the attached proposal, City shall pay Vendor the sum of \$24,166.00, as full consideration for the goods or services provided hereunder.

5. Vendor fully warrants the title to any goods provided hereunder, and agrees to defend the same against all claims whatsoever. At the time of delivery, Vendor shall furnish to the City a bill of sale absolute, with full warranties, or other evidence of title transfer satisfactory to the City, for the goods specified herein.

6. Vendor expressly warrants that all goods delivered hereunder are of merchantable quality and fit for the purpose for which the City has purchased the same. Vendor further warrants that any defects in the goods shall be properly repaired by Vendor for a period of 18 months from final delivery, including all parts and labor associated with said repairs.

7. City reserves the right to reject any defective goods, notwithstanding City's payment of the purchase price provided herein.

8. Vendor fully warrants that all services provided hereunder have been provided in a good and workmanlike manner. Vendor guarantees said services for a period of 18 months from the date of final performance. Vendor shall provide all labor and materials necessary to repair any defective workmanship reported to Vendor within said guarantee period.

9. To the extent that this agreement requires Vendor to provide any services of any kind, Vendor and all of Vendor's subcontractors shall maintain public liability insurance in a combined single limit for bodily injury and property damage in the amount of not less than \$1,000,000, satisfactory to the City Manager of City, naming the City as additional insured and providing coverage up through and including the final performance of any services provided hereunder. Vendor and all of Vendor's subcontractors shall maintain in full force and effect a policy of worker's compensation insurance for all of Vendor's employees in accordance with applicable state and federal law. Said insurance coverage shall include employer's liability with a single limit of \$100,000.00 per accident or occurrence. Vendor shall present City with a certificate for all of the foregoing insurance, at the time of executing this agreement and at such other times requested by the City. The Vendor waives all rights against the City, the City's consultants, separate contractors, if any, and any of its subcontractors, agents and employees, for damages caused loss to the extent covered by insurance described herein and obtained pursuant to this Section or other property insurance applicable to the services and product provided under this Contract. The City shall require of the Vendor, Vendor's consultants, separate contractors, if any, and the subcontractors, sub-subcontractors, agents and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waiver of subrogation by endorsement other otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

10. In consideration of the payment of ten dollars as part of the above purchase price, Vendor shall indemnify, defend and hold the City harmless for itself, its employees, agents and assigns, from and against any and all losses, claims, damages, suits, actions, or demands, including attorneys fees and costs of litigation through all appellate proceedings, arising from the performance or non-performance of this agreement, whether caused in part by the City or not.

11. This Agreement shall be binding upon the parties, their successors, assigns, and legal representatives. Vendor shall not assign or otherwise transfer any of the rights or duties under this Agreement, without the express written consent of the City.

12. This document embodies the entire agreement of the parties. There are no promises, terms, conditions, or representations binding on either party hereto, other than those contained herein; and this document shall supersede all previous communications, representations, and/or agreements between the parties hereto, whether written or oral. This Agreement may be modified only in writing executed by all parties. This agreement shall be construed according to the laws of Florida, and venue for any action arising herefrom shall be in Pinellas County, Florida.

13. The prevailing party in any action to enforce or interpret this agreement shall be entitled to reasonable attorneys fees incurred through all appellate proceedings.

14. Vendor hereby acknowledges that the person executing this agreement on behalf of Vendor has the full authority to do so and to bind Vendor to the terms hereof.

15. Any notices provided hereunder shall be sent to the parties at the following addresses and shall be considered properly delivered when placed in the U.S. mail, postage prepaid, certified return receipt requested:

As to Vendor:

Don Reid Ford, Inc.
1875 South Orlando Avenue
Maitland, FL 32751

As to City:

City Manager
City of St. Pete Beach, Florida
155 Corey Avenue
St. Pete Beach, Florida 33706

16. To the extent that any terms in the attached proposal conflict with the terms of this agreement, the terms of this agreement shall control and supersede such conflicting terms in the attached proposal, to the extent of such conflict.

17. The following sections, paragraphs or provisions of the attached proposal are hereby deleted from this agreement and shall be of no force or effect:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

Don Reid Ford, Inc.
Vendor

CITY OF ST. PETE BEACH, FLORIDA

BY _____

BY _____
CITY MANAGER

NAME, TITLE (typed or printed)

APPROVED AS TO FORM:

ATTEST:

ANDREW DICKMAN
CITY ATTORNEY

CITY CLERK

The contractor must comply with the Florida public records laws and must:

- (a) Keep and maintain public records that ordinarily and necessarily would be required by the city in order to perform the service.
- (b) Provide the public with access to public records on the same terms and conditions that the city would provide the records and at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
- (d) Meet all requirements for retaining public records and transfer, at no cost, to the city all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the city in a format that is compatible with the information technology systems of the city .

This is a new legal requirement.

119.0701 Contracts; public records.—

(1) For purposes of this section, the term:

(a) “Contractor” means an individual, partnership, corporation, or business entity that enters into a contract for services with a public agency and is acting on behalf of the public agency as provided under s. [119.011](#)(2).

(b) “Public agency” means a state, county, district, authority, or municipal officer, or department, division, board, bureau, commission, or other separate unit of government created or established by law.

(2) In addition to other contract requirements provided by law, each public agency contract for services must include a provision that requires the contractor to comply with public records laws, specifically to:

- (a) Keep and maintain public records that ordinarily and necessarily would be required by the public agency in order to perform the service.
 - (b) Provide the public with access to public records on the same terms and conditions that the public agency would provide the records and at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
 - (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.
 - (d) Meet all requirements for retaining public records and transfer, at no cost, to the public agency all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the public agency in a format that is compatible with the information technology systems of the public agency.
- (3) If a contractor does not comply with a public records request, the public agency shall enforce the contract provisions in accordance with the contract.

3/12/14

PROPOSAL

DATE: MARCH 30, 2015

NAME: CITY OF ST PETE BEACH
EMAIL: J.KRETZER@STPETEBEACH.ORG
ATTN: JOHN KRETZER

FORD F150 4X4 REGULAR CAB (F1E)	\$19,899.00
(99P) 2.7L V6 ECOBBOST ENGINE	\$794.00
6 SPEED AUTOMATIC TRANSMISSION	
(85H) BACKUP ALARM	\$99.00
(DLR) DEEP TINT	\$99.00
(DLR) FLANGE – RAINSHIELDS	\$195.00
(DLR) SINGLE TIER LIGHTBAR, NO SPEAKER, NO SIREN	\$1,795.00
AMBER & WHITE	
(DLR) TRAFFIC DIRECTIONAL	\$325.00
(DLR) BASIC 6 WAY SWITCH	\$195.00
(DLR) 4 CORNER LED'S - WHITE	\$665.00
TAG TRANSFER	\$100.00
TOTAL	\$24,166.00
PER FSA CONTRACT 14-22-0904	
SPEC # 44	

PURCHASER ACKNOWLEDGES:

DON REID FORD IS UNABLE TO GUARANTEE DELIVERY DATES DUE TO MANY FACTORS, NOT LIMITED TO BUT INCLUDING: FORD MOTOR COMPANY PRODUCTION SCHEDULES, WEATHER, AVAILABILITY OF RAIL CARS, ETC.

ALL PAYMENTS ARE DUE UPON RECEIPT OF EACH VEHICLE AS INVOICED REGARDLESS OF THE NUMBER OF VEHICLES ON THE PURCHASE ORDER.

We thank you for the opportunity to make this proposal and will appreciate your acceptance. Acceptance of this proposal will not be binding upon us until this proposal is approved hereonin writing by an official of Don Reid Ford, Inc. Return of one copy of this proposal and your purchase order number constitutes your official acceptance.

Please return this form via Fax: (407) 647-4779 or
email - EJore@aol.com

ACCEPTED: _____

Respectfully submitted,
ERIC JORE
FLEET MANAGER
DON REID FORD, INC.

**St. Pete Beach City Commission
Agenda Report**

Issue Considered: Authorization to approve special event application for the Surfers for Autism event to be held in Pass-a-Grille on July 11, 2015. The event would require street closures and alcohol on 9th and 10th Avenues between Gulf Way and Pass-a-Grille Way and Gulf Way from 11th to 9th Avenue.

Date: May 12, 2015

Prepared By: Jennifer McMahon, Recreation Director

Summary of Issue: Surfers for Autism is a 501 C 3 non-profit organization that holds grand scale beach festivals for children and young adults with exceptionalities. The event's activities would include surfing, paddle boarding, music, beach games, interactive exhibits, giveaways, fun contests and a raffle. There will be a vehicle and static displays from the Pinellas County Sheriff, St Pete Beach Fire Department and Coast Guard. The street closure would include: Gulf Way from 8th to 10th and 9th and 10th Avenues from Gulf Way to Pass-A-Grille Way on Saturday, July 11 from 6am-11pm. The event will take place on the closed roadways and the beach located in that area. This year after the event, the organizer would like to hold a volunteer appreciation and thank you after party for the community from 6-10pm in the blocked off area. The after party would include live music and food and beverage available for purchase. Surfers for Autism is requesting approval for the blocked off area to an approved area where alcohol beverages can be consumed in that area from 6-10pm. Surfers for Autism will secure additional officers for the evening's free community event.

Requested Motion: "I move to approve the special event application for Surfers for Autism and road closures and alcohol consumption on public property for July 11, 2105"

Attachments: Event information, street site map, and application

**Reviewed by
City Manager**

WS



City of St. Pete Beach Recreation Department Event Application

Applicant

Name of Applicant: Don C. Ryan Title (If applicable): President/COO

Name of Organization (if applicable): Surfers for Autism

Tax Exempt? ☒ Yes ☐ No Non-Profit? ☒ Yes ☐ NO *If yes on either, please provide documentation*

Mailing Address: 7899 Santa Fe Trail, Boca Raton FL 33487

Cell Phone: 561-445-7154 Email: surferforautism@live.com

Event Information

Event Title: 5th Annual Gold Coast Surfer for Autism Festival

Event/Organization Web Address: surfersforautism.org

Event Location(s): Pass – a- Grille; on 9th and 10th Avenues and Gulf Blvd between 11th and 9th

Event Date(s) & Time(s)

Date	Day of the Week	Start Time	End Time
July 11, 2015	Saturday	<u>9am</u>	<u>4pm</u>
July 11, 2015 (after party)	Saturday	<u>6pm</u>	<u>10pm</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>

Set Up Date(s): Saturday, July 11 from 6a-8am for event and 4-6pm for after party

Clean up Date(s): Saturday, July 11 from 4-6pm for event and 10-11pm after party

Description of Event: Surfing, beach festival for kids and young adults with exceptionalities. Paddleboarding, music, games, prizes, interactive exhibits. This year we would like to add the volunteer appreciation party on the same site from 6-10pm and invite the community. The party would include live music. Last year the volunteer appreciation was held in a restaurant but would like to involve the whole community as well as the volunteers and move the event outside.

Will this be an Annual Event? ☒ Yes ☐ No If yes, next year's date(s): TBD

Event Logistics

Estimated Attendance 3,000+ 2500
(includes event crew, participants, and spectators) This Year Last Year (if Applicable)

List all food and beverage vendors (Event Promoter is responsible for obtaining copies of all licenses and insurance forms from each vendor)

No vendors – SFA will provide a catered lunch prepared off site and donate by local restaurants.

Will alcohol be served or sold? ☒ No Alcohol at event from 9-4pm prohibited

☐ Sold at after party only from 6-10pm

List all other vendors (may need to provide copy of certificate of insurance)

No vendors – only support exhibitors. Vending or selling of wares is strictly prohibited.

Event Equipment (include dimensions, seating, staging, tents, platforms, booths, scaffolding, truck, etc. on **site map**)

See Site Map. 2014 map will remain the same for 2015 event

Entertainment (Detail type, bands, DJs, dancers, clowns, etc)

Attached in the key notes for Event. DJ plays during surfing event.

The after party would have a live band playing on a stage if approved.

List times of music and/or amplified sound (list PA systems, microphone, speakers, amps)

Announcement on PA from 8-9am; DJ from 9-4pm with PA system, microphone and speakers and live music with microphone, speakers, amps from 6-10pm.

Electricity Needed ☒ Yes ☐ No Source: Our own generators

Will portable restrooms be used? ☐ Yes ☒ No If yes (include on **site plan**): One ADA compliant toilet for every 10 per location

Will Dumpsters be used? ☒ Yes ☐ No If yes (include on **site plan**)

How Many? Size: Installation Date: Removal Date:

Please list any admission charges, donations, parking, registration or other fees and how much?

No Fees – Free to participants and to the public

Does Event require any Road or Sidewalk Closures? ☐ Yes ☐ No

If yes, you must include **all the details** in the **site plan** including streets and times

Road	Start Intersection	End Intersection	Date	Times
9 th Ave	Gulf Way	Pass-a-Grille Way	July 11	6am-11pm
9 th Ave	Gulf Way	Pass-a-Grille Way	July 11	6am-11pm
Gulf Way	11 th Ave	9 th Ave	July 11	6am-11pm

As the Applicant, I hereby accept and understand the responsibility to oversee all contractors, vendors, or parties affiliated with the event and to insure compliance with the special event guide, the event rules guidelines, requirements for tents and all policies, rules, regulations, and code provisions of the City of St. Pete Beach. I understand that any violations may result in immediate cancellation and revocation of the Event permits. I further certify that all the facts contained in this request are accurate.

For events on Public property, I agree to obtain and furnish the City of St. Pete Beach with a certificate of general liability insurance in the amount of at least one million dollars (\$1,000,000) or greater as deemed satisfactory by the city. The insurance must name the City of St. Pete Beach as an additional insured.

I understand incomplete application or any outstanding financial obligations with any department with in the City of St. Pete Beach may result in a denial of my request.

Don C. Ryan
Print Name

Signature

Surfers for Autism
Corporation Name (if applicable)

4-28-2015
Date



ABOUT US

It was December of 2007 when a simple idea was presented to a small group of South Florida surfers by a member whose life and family have been touched by autism. The concept of introducing children on the autism spectrum to surfing took hold and the group began planning for the inaugural Deerfield Beach event. A California-based organization taking children with ASD surfing, was having great success and Florida would soon follow suit.

During the planning stages of the event, it was decided that a fundraising element be added to help fund future beach events and support autism research and advocacy. Fundraising would be conducted by soliciting local businesses to donate product and services for a raffle and through the sale of event specific T-shirts. A decision to provide live entertainment and a catered lunch was also made.

On April 5, 2008, the inaugural Surfers For Autism event was held on the north side of the Deerfield Beach Pier where 40 surfers with autism hit the water and over \$10,000 was raised to fund events and advance research and advocacy. The organization has since hosted events all over the state and abroad. Nearly every event on our 14 stop tour in 2013 maxed out by reaching our limit of 200 children with exceptionalities registered to participate, and depending on the market, anywhere from 3 to 10 thousand beachgoers have packed local beaches to witness the wonder first-hand.

At an SFA event, our surfers are provided a safe environment where two-to-four highly skilled and trained surf instructors carefully guide them into waves. Our surfers and their families are treated like rock stars and enjoy a day filled with a range of activities including stand up paddle boarding, kayaking, live music, face-painting, games, bounce houses, fire engine tours and much more. A catered lunch is also provided, all at no cost to anyone. This is a very special day where children with ASD interact with

typical peers and wow families with their capabilities. These events are examples of inclusion at the highest level.

MISSION STATEMENT

The Surfers For Autism mission is to unlock the potential of people with developmental delays, and to support advocacy for autism issues and scientific research. Our focus is to eliminate stigma through public education and awareness and to unite communities through volunteerism.

Please view the web links provided below for a good look into what these very special days mean to children, families and communities like yours.

Best if viewed in HD

<http://www.msnbc.msn.com/id/21134540/vp/38157425#38157425>

<http://www.youtube.com/watch?v=IFc8ZU2afiE>

<http://www.youtube.com/watch?v=DgyutlMuQ3w>

<http://www.youtube.com/watch?v=b-q-781v7Ls>

<http://www.youtube.com/watch?v=la1OXXYHLRo>

<http://www.youtube.com/watch?v=FTaypW1sMZ8>

http://www.youtube.com/watch?v=_2iGZNRfQjY

<http://www.youtube.com/watch?v=eSeZNipEycU>

<http://www.youtube.com/watch?v=P24joYtMWm0>



Surfers For Autism Gearing Up To Return To The Bay Area!

Contact: President/COO Don C Ryan P: 561.445.7154 E: surferforautism@live.com

"As parents of a child with autism, we mourn over and over again for each dream that doesn't come to pass. We dream of our children's futures as any parents do and mourn the death of those dreams. The members and volunteers of Surfers for Autism give us new dreams and make dreams come true. You are my dream makers. You have opened up a world and a future for my daughter that I did not know existed." Eight-year-old Abigail Maass has blossomed in ways her family could not have imagined, and Asa Maass now envisions a world that did not exist prior to her involvement with Surfers for Autism. 200 children and young adults with autism and related abilities will soon share in Abigail's joy at the 4th Annual Bay Area Surfers for Autism Beach Festival.

"This is without question one of the most anticipated events we host during our surf tour. When we hosted the inaugural Bay Area event, we were flooded with calls and emails from participating families, volunteers and sponsors pleading for this to be a tour mainstay. While that was our initial intention, the overwhelming positive feedback solidified our commitment to this community," said SFA president and founding member Don Ryan. The soul and goal of SFA is to bind communities through volunteerism and provide families a day they never thought possible. Participants undergo an often seismic shift in behavior and focus. Parents report that this focus lingers for days, months or years depending on the particular child.

The day is about much more than surfing. Each event features a range of activities including fire truck painting, live music, a gaming tent, contests, raffles and an after party that is second to none.

While we work tirelessly to bring these events to the beach, it is impossible without strong sponsorship. SFA is seeking sponsors for the Bay Area event, and there are opportunities for all levels of interest. The links below offer a brief glimpse into the life-changing work done by Surfers for Autism; also, please visit www.surfersforautism.org.

http://www.surflife.com/surf-news/florida-based-nonprofit-shares-the-stoke-at-nobbys-beach_67211/

<http://www.msnbc.msn.com/id/21134540/vp/38157425#38157425>

<http://www.youtube.com/watch?v=ZpVoXYHjld8>



KEY NOTES

ABOUT SURFERS FOR AUTISM EVENTS

ACTIVITIES

The day's activities will include surfing, paddle boarding, music, beach games, interactive exhibits, giveaways, fun contests for prizes and raffles. Depending on location the day also may include Fire Engine tours, Paint the Fire Engine, static displays and interactive exhibits provided by local Police, Sheriff, Military, USCG and/or FWC.

VENDORS

Vending or selling of wares is strictly prohibited at all SFA events. No Exceptions. Our supporters and sponsors are welcome and encouraged to showcase their business through displays, networking and distributing approved literature. All exhibitors are requested to provide a fun activity for kids at their booth.

ALCOHOL/ILLEGAL DRUGS/CONTROLLED SUBSTANCE

The consumption of alcohol is strictly prohibited before the conclusion of all event activities at 4pm. Surfers For Autism, Inc. reserves the right to restrict the possession or consumption of alcohol, regardless of local laws and ordinances, within the organizations insured event permit boundaries.

MEDICAL/FIRST AID/FIRST RESPONSE

Surfers For Autism travels with our own team of first responders comprised of Doctors, (most events) Paramedics, (all events) Life Guards (all events) and Registered Nurse (all events) - all volunteered. We also provide a clearly marked medical pavilion on the beach at all events that is fully stocked to respond to most medical emergencies. We are capable of and have the ability to respond to trauma victims with the administration of O2, fluids intravenously and cardiac arrest with IEDs. It is organization policy that we let local Ocean Rescue and/of Fire Rescue take command during any medical emergency, other than minor, but we are prepared to respond quickly and decisively.



PERMITTING/COMPLIANCE

This organization prides itself on being 'over the top' considerate and compliant to all host municipality and Florida Dept. of Environmental Protection laws, regulations, rules and ordinances. We respectfully request that each of our permitting departments in the host community, from the beginning of the permitting process, provide us with a complete list of requirements along with any issues or concerns the residents, that may be directly impacted by an event of this type, will have or have had in the past. We will complete all applications, submit all required documents, follow protocol to the letter and provide all information with regards to our program and operations. We are not only seeking permission from the governing body, we also seek to be welcomed by the community.

ADMISSION/FEES/FUNDRAISING

THIS IS NOT A FUNDRAISER. THIS IS A FUN RAISER

Surfers For Autism events are free of charge to all registered participants, open to the public and are not fundraisers. The presence of a fundraising element does exist at each event but is unpublished and in the background. There is the opportunity, for those who are blessed, to support our organization monetarily through donations for our raffle or branded apparel. Our goal here is to remain self supportive/funded without making anyone feel that a donation should be made.

FOOD SERVICE/CATERING

A catered lunch is provided, free of charge, to all registered participants, any family member that is attending with them and all registered volunteers at all SFA events. The food is prepared off site and donated by local restaurants that choose to support our initiative. Our Executive Director of Hospitality will organize volunteers to pick up and serve catering. Safe food handling practices are maintained at service.

AMPLIFIED SOUND/NOISE ORDINANCES

It is necessary for SFA to use amplified sound through a PA system at all events to conduct meetings, make announcements, locate lost individuals and play recorded music. Our PA will go live at 8am to conduct a mandatory volunteer meeting and will be shut down at approx. 4pm with event conclusion. The size of these venues makes it nearly impossible to voice project in any other form. SFA is considerate and compliant to all ordinances with regards to noise and amplified sound.



ATTENDANCE

Surfers For Autism produces world class, grand scale events that garner crowds in the 2,000 to 10,000+range. Before we reach the event site we are certain that there will be 1000+ through our crew, registered participants, family members/care givers accompanying them and registered volunteers. SFA will collaborate with local officials regarding crowd control plans.

EVENT HOURS SET-UP/BREAK DOWN

Official event hours are from 9am to 4pm. This is when festival activities for registered participants will begin and conclude. Set up will begin as close to 6am as possible, immediately following clearance from local turtle patrol. Break down will commence just prior to 4pm and will conclude at 6pm followed by an organized beach cleanup. A beach cleanup will also be conducted following lunch.

PHOTOGRAPHERS/MEDIA

All photogs and media are required to check in at registration to provide credentials and receive a wrist band. It is policy that a talent release waiver be signed releasing all images and recorded video and audio as property of Surfers For Autism, Inc. Anyone capturing images or video without following this policy will be asked, lawfully, to leave the permitted and insured event area.



Consumer's Certificate of Exemption

Issued Pursuant to Chapter 212, Florida Statutes

DR-14
R. 04/05
04/20/10

85-8015352919C-6	04/19/2010	04/30/2015	501(C)(3) ORGANIZATION
Certificate Number	Effective Date	Expiration Date	Exemption Category

This certifies that

SURFERS FOR AUTISM INC
7899 SANTA FE TRL
BOCA RATON FL 33487-1529

is exempt from the payment of Florida sales and use tax on real property rented, transient rental property rented, tangible personal property purchased or rented, or services purchased.



Important Information for Exempt Organizations

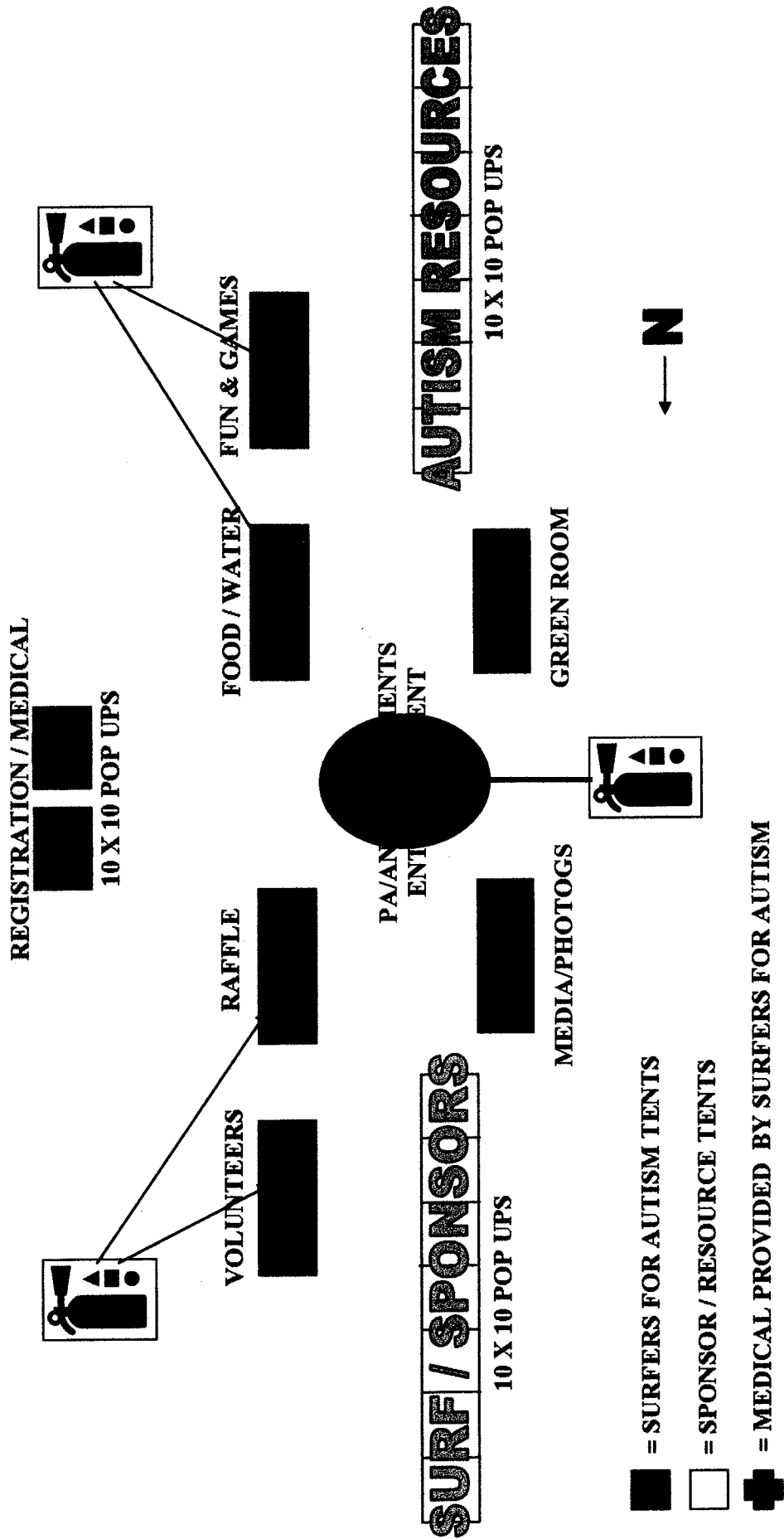
DR-14
R. 04/05

1. You must provide all vendors and suppliers with an exemption certificate before making tax-exempt purchases. See Rule 12A-1.038, Florida Administrative Code (FAC).
2. Your *Consumer's Certificate of Exemption* is to be used solely by your organization for your organization's customary nonprofit activities.
3. Purchases made by an individual on behalf of the organization are taxable, even if the individual will be reimbursed by the organization.
4. This exemption applies only to purchases your organization makes. The sale or lease to others by your organization of tangible personal property, sleeping accommodations or other real property is taxable. Your organization must register, and collect and remit sales and use tax on such taxable transactions. Note: Churches are exempt from this requirement except when they are the lessor of real property (Rule 12A-1.070, FAC).
5. It is a criminal offense to fraudulently present this certificate to evade the payment of sales tax. Under no circumstances should this certificate be used for the personal benefit of any individual. Violators will be liable for payment of the sales tax plus a penalty of 200% of the tax, and may be subject to conviction of a third degree felony. Any violation will necessitate the revocation of this certificate.
6. If you have questions regarding your exemption certificate, please contact the Exemption Unit of Central Registration at 850-487-4130. The mailing address is PO BOX 6480, Tallahassee, FL 32314-6480.

GULF OF MEXICO

HIGH TIDE LINE

Surf / Recreation Zone



Dunes / Beach Access

**St. Pete Beach City Commission
Agenda Report**

Issue

Considered: Authorize the City Manager to enter into a purchase agreement with Taborelli Construction, Inc. (TBI) for \$48,403.03 for the design and construction of two dune walkovers.

Date: May 12, 2015

Prepared By: John J. Kretzer, Interim Public Services Director

**Summary
Of Issue:**

Florida Department of Environmental Protection (FDEP) has guidelines for walkovers that cross protected sand dunes adjacent to the Gulf of Mexico. These guidelines include maintaining a minimum clearance of 3 feet from the top of the dune to the structure. Due to the age of the walkovers and the ever increasing height of the dunes at Pass-A-Grille beach, many of the walkovers are out of compliance and require reconstruction. The locations most out of compliance are the walkovers at 7th, 8th, and 12th Avenues.

On March 19, 2015, the City received sealed bids from two contractors to perform the design build of these three walkovers. After a review of the lump sum prices provided for each location and the required bid submittals, TBI was determined to be the lowest qualified bidder.

To stay within the budget of the \$50,000 Interlocal Agreement Grant provided to the City by Pinellas County, we propose to design and construct only the walkovers at 7th and 8th Avenues at this time.

Funding: Pinellas County Interlocal Agreement Grant

**Requested
Motion:**

"I move to authorize the City Manager to enter into a purchasing agreement with Taborelli Construction, Inc. for \$48,403.03 for the design and construction of two dune walkovers.

Attachments: Pinellas County Interlocal Agreement Grant
Interlocal Agreement Amendment Number 1
Bid Tabulation
Purchasing Agreement

**Reviewed by
City Manager:**

WS

***PINELLAS COUNTY GOVERNMENT IS COMMITTED TO PROGRESSIVE PUBLIC POLICY,
SUPERIOR PUBLIC SERVICE, COURTEOUS PUBLIC CONTACT, JUDICIOUS EXERCISE
OF AUTHORITY AND SOUND MANAGEMENT OF PUBLIC RESOURCES, TO MEET THE
NEEDS AND CONCERNS OF OUR CITIZENS TODAY AND TOMORROW.***



**INTERLOCAL AGREEMENT
BETWEEN PINELLAS COUNTY AND THE CITY OF ST. PETE BEACH
FOR
CONSTRUCTION REPLACEMENT OF DUNE WALKOVERS AT
PUBLIC BEACH ACCESS SITES
PID NO. 000139A**

SECTION 1
INTENT OF AGREEMENT

THIS AGREEMENT, entered into on the ____ day of _____ 2014, between PINELLAS COUNTY, a political subdivision of the State of Florida, hereinafter referred to as the COUNTY, and the CITY OF ST. PETE BEACH, a municipal corporation of the State of Florida, hereinafter called the CITY.

WITNESSETH, That:

WHEREAS, this Agreement is made and entered between the parties pursuant to Section 163.01, Florida Statutes, the "Florida Interlocal Cooperation Act of 1969"; and

WHEREAS, the Coastal Management portion of the COUNTY's Capital Improvement funds exist for the specific use of public beach enhancement; and

WHEREAS, the CITY desires to construct up to three (3) replacement dune walkovers for public beach access to promote and obtain environmental benefits within the community; and

WHEREAS, the CITY has demonstrated a successful dune restoration program that includes public access improvements, dune walkover maintenance, vegetation planning, and a dune preservation zone; and

WHEREAS, the COUNTY and the CITY desire to coordinate and cooperate in their efforts to enhance additional beach access sites within the CITY.

NOW THEREFORE, in consideration of the mutual promises herein contained, and for other good and valuable consideration, receipt of which is hereby acknowledged by all parties, it is hereby agreed by and between the parties as follows:

SECTION 2
SERVICES TO BE PROVIDED BY THE CITY

The CITY shall be responsible for obtaining any permits or approval required from regulatory agencies. The CITY shall fully administer the design and installation of the structures. This process shall follow all competitive bidding procedures and seek at least three (3) competitive bids. The CITY shall review these bids with the COUNTY prior to the issuance of a purchase order. The locations eligible for reimbursement funding are 7th, 8th and 12th Avenue dune walkovers. The CITY agrees to assume all maintenance responsibilities associated with this project once constructed.

SECTION 3
SERVICES TO BE PROVIDED BY THE COUNTY

The COUNTY shall reimburse the CITY according to Section 4 for the installation of three dune walkovers. The COUNTY shall reimburse the CITY for the COUNTY's share of project costs upon construction completion and invoice by the CITY.

SECTION 4
PROJECT FUNDING

The COUNTY agrees to fund 100% of the cost of constructing three (3) replacement dune walkovers within the CITY, up to an amount not to exceed fifty thousand and 00/100 dollars (\$50,000.00). Documentation of expenditures for the dune walkovers shall be provided by the CITY in support of the reimbursement request. The CITY's records of expenses related to requests for reimbursement shall be subject to examination, audit, and/or reproduction by the COUNTY's agent or representative, should the COUNTY determine a need for such examination. Records should be retained for three (3) years from final payment.

SECTION 5
ADDITIONAL SERVICES

The COUNTY and CITY shall not enter into Additional Services that would require additional reimbursement without advance written approval by the COUNTY. This Agreement and project is not intended to affect the current and future maintenance responsibilities of either jurisdiction and does not imply availability of future funding for this type installation.

SECTION 6
TERMINATION OF AGREEMENT

This Agreement may be terminated by either party upon thirty (30) days written notice. This Agreement is subject to the availability of funding. This document embodies the whole agreement between the parties. There are no promises, terms, conditions or allegations other than those contained herein and this document shall supersede all previous communications, representations and/or agreement, whether written or verbal, between the parties hereto. This Agreement may be modified only in writing executed by all parties. This Agreement shall be binding upon the parties, their successors, assigns and legal representatives.

SECTION 7
OFFICAL NOTICE

All notices required by law and by this Agreement to be given by one party to the other shall be in writing and shall be sent to the following respective addresses:

COUNTY: Pinellas County Department of Environment
and Infrastructure
Attn: Coastal Coordinator
22211 US 19, Building 10
Clearwater, FL 33765

CITY: City of St. Pete Beach
Steven Hallock, Public Services Director
155 Corey Avenue
St. Pete Beach, FL 33706

SECTION 8
AGREEMENT TO BE FILED WITH THE CLERK OF THE CIRCUIT COURT

Prior to its effectiveness, this Agreement and subsequent amendments thereto must be filed with the Clerk of the Circuit Court of Pinellas County.

SECTION 9
TERM

This Agreement will become effective upon the date of approval and shall remain in effect until December 31, 2014.

SECTION 10
HOLD HARMLESS

The COUNTY and CITY agree to be fully responsible for their own acts of negligence, or their respective agents, contractors, and the agent's and contractor's employees acts of negligence when acting within the scope of their employment, and agree to be liable for any damages resulting from said negligence to the extent permitted by section 768.28, Florida Statutes. Any contract the CITY enters into that is the subject of this agreement shall contain language that specifically indemnifies the COUNTY from any and all acts of the contractor and its agents. Nothing herein is intended to serve as a waiver of sovereign immunity by either the COUNTY or the CITY. Nothing herein shall be constructed as consent by the COUNTY or CITY to be sued by third parties in any manner arising out of this Agreement.

SECTION 11
GOVERNING LAW AND DOCUMENT EXECUTION

IN WITNESS WHEREOF, the parties hereto, governed by the laws of Florida, have caused these presents to be executed by their duly authorized officers and their official seals hereto affixed, the day and year first above written.

CITY OF ST PETE BEACH, a municipal
corporation of the State of Florida

PINELLAS COUNTY, a political
subdivision of the State of Florida,
by and through its County
Administrator

By: _____
Michael Bonfield
City Manager

By: _____
Robert S. LaSala
County Administrator

ATTEST: _____
City Clerk

WITNESS: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Office of City Attorney

By: _____
Office of County Attorney

**AMENDMENT NO. 1 TO THE INTERLOCAL AGREEMENT
WITH THE CITY OF ST. PETE BEACH FOR CONSTRUCTION
REPLACEMENT OF DUNE WALKOVERS AT PUBLIC BEACH ACCESS SITES**

THIS AMENDMENT made and entered into this 14 day of January ²⁰¹⁵ 2014, by and between PINELLAS COUNTY, a political subdivision of the State of Florida, hereinafter referred to as the COUNTY and the CITY OF ST. PETE BEACH, a municipal corporation of the State of Florida, hereinafter referred to as the CITY.

WITNESSETH:

WHEREAS, the COUNTY and the CITY entered into an Agreement effective on June 24th, 2014, pursuant to Section 163.01, Florida Statutes, the "Florida Interlocal Cooperation Act of 1969"; and

WHEREAS, the COUNTY and the CITY desire to construct up to three (3) replacement dune walkovers for public beach access to promote and obtain environmental benefits within the community; and

WHEREAS, Section SIX (6) of the Agreement permits modification by mutual written agreement by the Parties; and

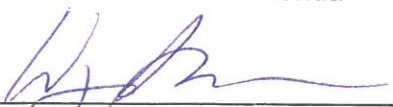
WHEREAS, the COUNTY and the CITY now wish to modify the Agreement in order to provide for a Time Extension, at the same prices, terms, and conditions;

NOW THEREFORE, the Parties agree that the Agreement is amended as follows:

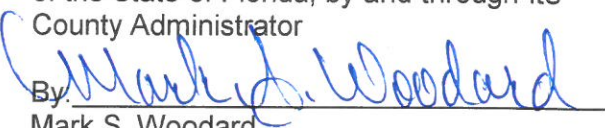
1. Section 9, Term of the Agreement is hereby amended for an additional TWELVE (12) MONTHS, extending the Agreement until December 31, 2015.
2. Except as changed or modified herein, all provisions and conditions of the original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties herein have executed this Amendment No. 1. as of the day and year first written above.

CITY OF ST. PETE BEACH, a municipal
Corporation of the State of Florida

By: 
Wayne Saunders
City Manager

PINELLAS COUNTY, a political subdivision
of the State of Florida, by and through its
County Administrator

By: 
Mark S. Woodard
County Administrator

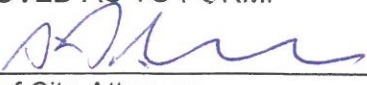
ATTEST:
City Clerk



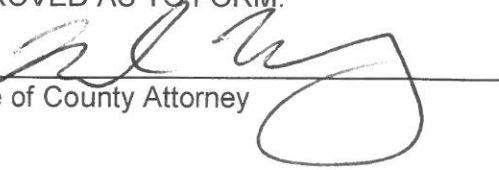
WITNESS:



APPROVED AS TO FORM:

By: 
Office of City Attorney

APPROVED AS TO FORM:

By: 
Office of County Attorney

TO: Mark S. Woodard, County Administrator

THROUGH: David E. Scott, P.E., Assistant County Administrator

FROM: Richard Coates, P.E., Director, Public Works 

SUBJECT: Amendment No. 1 (Time Only) to the Interlocal Agreement with the City of St. Pete Beach for the Construction of Replacement Dune Walkovers at Public Beach Access Sites
PID #000139A/7002

DATE: January 6, 2015

RECOMMENDATION: I RECOMMEND THE COUNTY ADMINISTRATOR APPROVE AND EXECUTE AMENDMENT NO. 1 (TIME ONLY) TO THE INTERLOCAL AGREEMENT WITH THE CITY OF ST. PETE BEACH FOR THE CONSTRUCTION OF REPLACEMENT DUNE WALKOVERS AT PUBLIC BEACH ACCESS SITES FROM DECEMBER 31, 2014 TO DECEMBER 31, 2015.

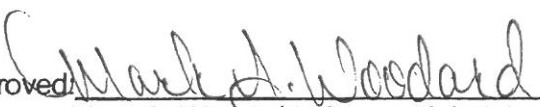
DISCUSSION: This Amendment No. 1 will provide for a time only extension of twelve (12) months from the original Agreement expiration of December 31, 2014, to December 31, 2015. The City requested the extension because they need more time to complete the work involved in the replacement of three (3) dune walkovers.

The Coastal Management Capital Improvement Program funds have been dedicated to beach and dune restoration. Dune systems enhance the coastal system by providing storm protection and protecting habitat. Coastal Management has historically provided funding to municipalities to construct dune walkover structures.

The Agreement provides \$50,000 for the replacement of three (3) dune walkovers within the City of St. Pete Beach's public beach access sites. Funds are budgeted in the Coastal Management Section of the Pinellas County Capital Improvement Program, PID No. 000139A/7002.

Approval of this Amendment No. 1 is within the authority of the County Administrator, as delegated by the Board of County Commissioners, pursuant to Section 2-62, Pinellas County Code.

Please retain one original packet for filing on your receipt and file report and return the remaining original to Trina Shisler, Office of Engineering and Technical Support for distribution to the City.

Recommendation Approved: 

Mark S. Woodard, County Administrator

Date: 1/13/15 

Attachments:
Contract Review Transmittal
Amendment No. 1

**BOARD OF COUNTY
COMMISSIONERS**

Dave Eggers
Pat Gerard
Charlie Justice
Janet C. Long
John Morroni
Karen Williams Seel
Kenneth T. Welch



January 15, 2015

Ms. Rebecca C. Haynes
City Clerk
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, FL 33706

Subject: Amendment No. 1 (Time Only) to the Inter-Local Agreement with
the City of St. Pete Beach for the Construction of Replacement
Dune Walkovers

Dear Ms. Haynes,

Enclosed is an executed original of Amendment #1 to the inter-local agreement
with the City for the construction of replacement dune walkovers.

Should you have any questions, please feel free to call me at (727) 464-5316.

Sincerely,
OFFICE OF ENGINEERING & TECHNICAL SUPPORT


Trina Shisler
Sr. Contract Service Specialist

Enclosures

c: Andy Squires, Coastal Manager
John Bishop, Coastal Mgmt Coordinator





Bid Tabulation - Design Build of Dune Walkovers

3/19/2015

10:00AM

Base Bid	Tampa CS	Taborelli
7th Avenue Dune Walkover	\$32,740.00	\$26,063.63
8th Avenue Dune Walkover	\$32,840.00	\$22,339.40
12th Avenue Dune Walkover	\$45,296.00	\$31,275.16
	\$110,876.00	\$79,678.19

Alternate Bid Items		
Unit Cost of each 8 inch (butt) pile	\$55.00	\$62.10

Items Required to Be Submitted with Bid	Tampa CS	Taborelli
Submitted 2 Copies	Yes	Yes
Bidder's Contract Proposal Form	Yes	Yes
Bid Schedule	Yes	Yes
References and Qualifications		
3 References (within past 5 years)	Yes	Yes
Firm's History & Personnel Experience	Yes	Yes
Claims/Disputes	Yes	Yes
Bonding Capacity	Yes	Yes
Certificate of Insurance	Yes	Yes
Contractor Proof of License	Yes	Yes
List of Subcontractors	N/A	N/A
Subcontractor Insurance and Licensing	N/A	N/A
Contractor's Education and Training	Yes	No
Addendum Acknowledgment	Yes	Yes

**St. Pete Beach City Commission
Agenda Report**

Issue Considered: Agreement for Utility Relocations between the City of St. Pete Beach and Pinellas County for Pass-A-Grille Way.

Date: May 12, 2015

Prepared By: Wayne Saunders, City Manager

Summary of Issue: The City of St. Pete Beach (City) is proposing to construct roadway, drainage and other improvements to Pass-A-Grille Way. The project also includes relocation and replacement of the county water facilities and reclaim water facilities, all fire hydrants and appurtenances. This agreement provides for the county to pay 100% of the water system improvements.

In addition, the County will pay 25% of the cost to relocate approximately 4,150 linear feet of a 16" reclaimed water transmission line pursuant to the terms and conditions identified in the reclaim water agreement with the city. The total construction cost to the County for the relocations of the water and reclaimed water facilities is estimated \$2,475,000.

The City will contract with a private contractor for this project. During construction, both the City and the County will have representation on site to ensure construction standards are met. Upon completion of the project, the County will take ownership of the potable water system upgrades and shall continue to maintain and operate the reclaimed water lines per the Agreements with the City.

Funding: N/A

Requested Motion: "I move to approve an agreement for Utility Relocations between the City of St. Pete Beach and Pinellas County County PID No. 001589A."

Attachments:

**Reviewed by
City Manager:** WS

INTERLOCAL AGREEMENT

BETWEEN PINELLAS COUNTY AND THE CITY OF ST. PETE BEACH FOR THE RELOCATION OF PINELLAS COUNTY UTILITIES AND RECLAIMED WATER LINES MAINTAINED BY PINELLAS COUNTY IN CONJUNCTION WITH THE PROPOSED ROADWAY, SIDEWALK AND DRAINAGE CONSTRUCTION IMPROVEMENTS ALONG PASS-A-GRILLE WAY FROM EL CENTRO STREET TO 19TH AVENUE.

SECTION 1 INTENT OF AGREEMENT

This AGREEMENT, made and entered into this _____ day of _____, 2015, by and between PINELLAS COUNTY, a political subdivision of the State of Florida, acting by and through its Board of County Commissioners, hereinafter referred to as "COUNTY", and the CITY OF ST. PETE BEACH, FLORIDA, a municipal corporation within said Pinellas County, acting by and through its City Commission, herein referred to as "CITY", collectively refer to as the "PARTIES".

WITNESSETH that:

WHEREAS, the CITY desires to construct roadway and drainage system improvements along Pass-A-Grille Way; and

WHEREAS, the COUNTY owns and operates potable water lines, service connections, appurtenances and fire hydrants (also referred to herein as "UTILITIES" or "COUNTY UTILITIES"); and

WHEREAS, the COUNTY and CITY jointly own and operate reclaimed water lines that require relocation along Pass-A-Grille Way, from El Centro Street to 19th Avenue, as described in Exhibit A, attached and incorporated, herein referred to as the "PROJECT"; and

WHEREAS, the COUNTY is required to relocate its UTILITIES as part of the PROJECT, and agrees to reimburse the CITY for the total cost to relocate its UTILITIES.

NOW, THEREFORE, in consideration of the monies hereinafter agreed to be paid and the mutual covenants contained herein, the PARTIES hereby mutually agree as follows:

SECTION 2 SCOPE OF CONSTRUCTION SERVICES

The scope of Construction Services for the PROJECT shall include the following:

The relocation of potable water lines including the service connections, fire hydrants, appurtenances and reclaimed water lines found to be in conflict with the proposed roadway and drainage system improvements along Pass-A-Grille Way, from El Centro Street to 19th Avenue.

SECTION 3

SERVICES TO BE PROVIDED BY THE CITY

The CITY'S Engineer shall design the roadway, sidewalk and drainage improvements as part of the Pass-A-Grille Way roadway and drainage improvement plans and produce construction drawings, specifications, quantity list and cost estimate.

Upon acceptance and approval of the construction plans and specifications by all PARTIES, the CITY shall hire a private contractor to construct the PROJECT.

The CITY will provide a representative to attend construction meetings and inspect the construction of the roadway and drainage improvements to ensure that construction is completed in accordance with the construction plans and specifications.

Upon completion of the entire PROJECT, the CITY shall ensure that any warranty, including materials, equipment, workmanship and closeout documents, by the contractor constructing the PROJECT, is passed on to the COUNTY under the same terms and conditions as that warranty applies to facilities constructed or installed on behalf of the CITY.

SECTION 4

SERVICES TO BE PROVIDED BY THE COUNTY

The COUNTY will produce construction drawings, specifications, a quantity list and cost estimate for the relocation of the potable water lines, reclaimed water line, fire hydrants, appurtenances and service connections suitable to construct the PROJECT. If the cost estimates exceed the amount allocated by the COUNTY in Section 5 of this Agreement, the PARTIES shall meet and the COUNTY, without unreasonable delay, shall determine whether it will pay the excess cost or redesign the scope of relocating its UTILITIES to meet its stated budget expressed in Section 5 of this Agreement, or the COUNTY may decide to terminate this Agreement in accordance with Section 8. In no case shall the CITY be responsible for costs to relocate COUNTY UTILITIES. In the event of an excess cost to relocate the COUNTY UTILITIES, the COUNTY shall notify the CITY of its decision in writing.

The COUNTY will submit and obtain any permits associated with the relocation and operation of the COUNTY UTILITIES as part of the PROJECT.

The COUNTY will provide a representative to attend construction meetings and inspect the construction of the PROJECT to ensure that COUNTY standards are met.

When construction of the work is completed, the COUNTY shall own, operate and maintain the COUNTY UTILITIES and shall continue to maintain and operate the reclaimed water lines per the existing Reclaimed Water Agreements with the CITY.

SECTION 5

FUNDING AND INVOICING

The COUNTY will pay 100% of the total cost of construction and relocation of the 16" potable water transmission line (approximately 4,400 linear feet), 8" potable water distribution line (approximately 4,400 linear feet) and service connections, appurtenances and all the fire

hydrants related to the 16" potable water transmission line relocation and installation of a new 8" potable water distribution line along Pass-A-Grille Way which shall not exceed One Million Nine Hundred Thousand Dollars (\$1,900,000.00).

Per the existing Reclaimed Water Agreement with the CITY, the COUNTY will pay 25% of cost for the 16" reclaimed water transmission line relocations (approximately 4,150 linear feet) and appurtenances related to the 16" reclaimed water transmission line relocation along Pass-A-Grille Way which shall not exceed Three Hundred Fifty Thousand Dollars (\$350,000.00). Relocation of reclaimed water service lines and associated appurtenances are not part of this agreement and the CITY shall pay 100%.

The COUNTY will additionally pay 10% of the total cost of construction and relocation of COUNTY UTILITIES and 10% of the COUNTY's share of the cost of the construction and relocation of the reclaimed water lines which shall not exceed Two Hundred Twenty-Five Thousand Dollars (\$225,000.00) that will cover mobilization, maintenance of traffic (MOT), and miscellaneous administrative fees of the PROJECT.

The CITY shall initially pay the total construction cost for the PROJECT. The CITY will invoice the COUNTY for the costs of the relocation of COUNTY UTILITIES, and the COUNTY'S share of the reclaimed water lines, not to exceed Two Million, Four Hundred Seventy-Five Thousand Dollars (\$2,475,000.00) upon approval of the COUNTY Project Manager and without unreasonable delay, except that this cost may exceed \$2,475,000.00 pursuant to Section 4 of this Agreement, but in no circumstance shall the CITY be responsible for the cost to relocate COUNTY UTILITIES.

During construction, the CITY shall process invoices from the contractor and submit a copy to the COUNTY along with progress reports and requests for payment. The COUNTY shall pay the CITY in accordance with the Florida Prompt Payment Act time schedule for construction projects.

SECTION 6 ACCOUNTING RECORDS

Records of expenses pertaining to all services performed shall be kept in accordance with generally recognized accounting principles and procedures.

SECTION 7 TERM OF AGREEMENT

This Agreement shall commence on the date of execution and shall remain in effect until the CITY provides to the COUNTY mutually agreeable documentation which substantiates that this Agreement has been fully performed.

SECTION 8 TERMINATION

Upon written notice, this Agreement may be terminated by any of the PARTIES in the event of a "substantial failure to perform" of another party to fulfill its obligation under this Agreement through no fault of the terminating party, or if the COUNTY decides not to relocate its UTILITIES in accordance with Section 4 of this Agreement. This Agreement shall be deemed terminated on the fifteenth (15th) day after receipt of written notice of termination. The CITY, however, shall be entitled to receive payment for all work completed as of the date of termination.

SECTION 9 NOTICE

All notices or reports under this Agreement shall be directed to the following addresses:

Project Manager for the COUNTY: Guillermo Q. Bay, E.I.
Office of Engineering & Technical Support
14 S. Ft. Harrison Avenue, 6th Floor
Clearwater, FL 33756

Project Manager for the CITY: Ian Wade, P.E.
City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, FL 33706

Engineer of Record for the CITY: Jeff Earhart, P.E.
CPWG, Inc.
2215 Wembley Place
Oviedo, FL 32765

SECTION 10 PRIOR AGREEMENTS

Nothing in this Agreement is intended to modify the Reclaimed Water Service agreement between the COUNTY and the CITY and the CITY of SOUTH PASADENA executed September 24, 1991 and the Renewal Agreement for Maintenance and Customer Services between the COUNTY and the CITY executed November 4, 1997.

SECTION 11 ENTIRE AGREEMENT

This document, including the recitals above, embodies the whole Agreement of the PARTIES with respect to the subject matter herein. There are no promises, terms, conditions or allegations other than those contained herein and this document shall supersede all previous communications, representations, whether written or verbal, between the PARTIES with respect to the subject matter herein. This Agreement may be modified only in writing executed by all PARTIES. This Agreement shall be binding upon the PARTIES, their successors, assigns and legal representatives.

IN WITNESS WHEREOF, the PARTIES hereto, or their lawful representative, have executed this Agreement as of the date first above written.

CITY OF ST. PETE BEACH,
a municipal corporation
of the State of Florida

PINELLAS COUNTY, FLORIDA, a
political subdivision of the State of
Florida, by and through its Board of
County Commissioners

By: _____
Maria Lowe, City Mayor

By: _____
Chairman

ATTEST:

ATTEST: KEN BURKE, Clerk

By: _____
Rebecca Hayes, City Clerk

By: _____
Deputy Clerk
(Seal)

APPROVED AS TO FORM:

APPROVED AS TO FORM:

By: _____
Office of City Attorney

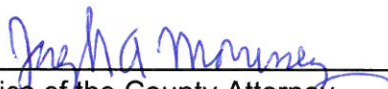
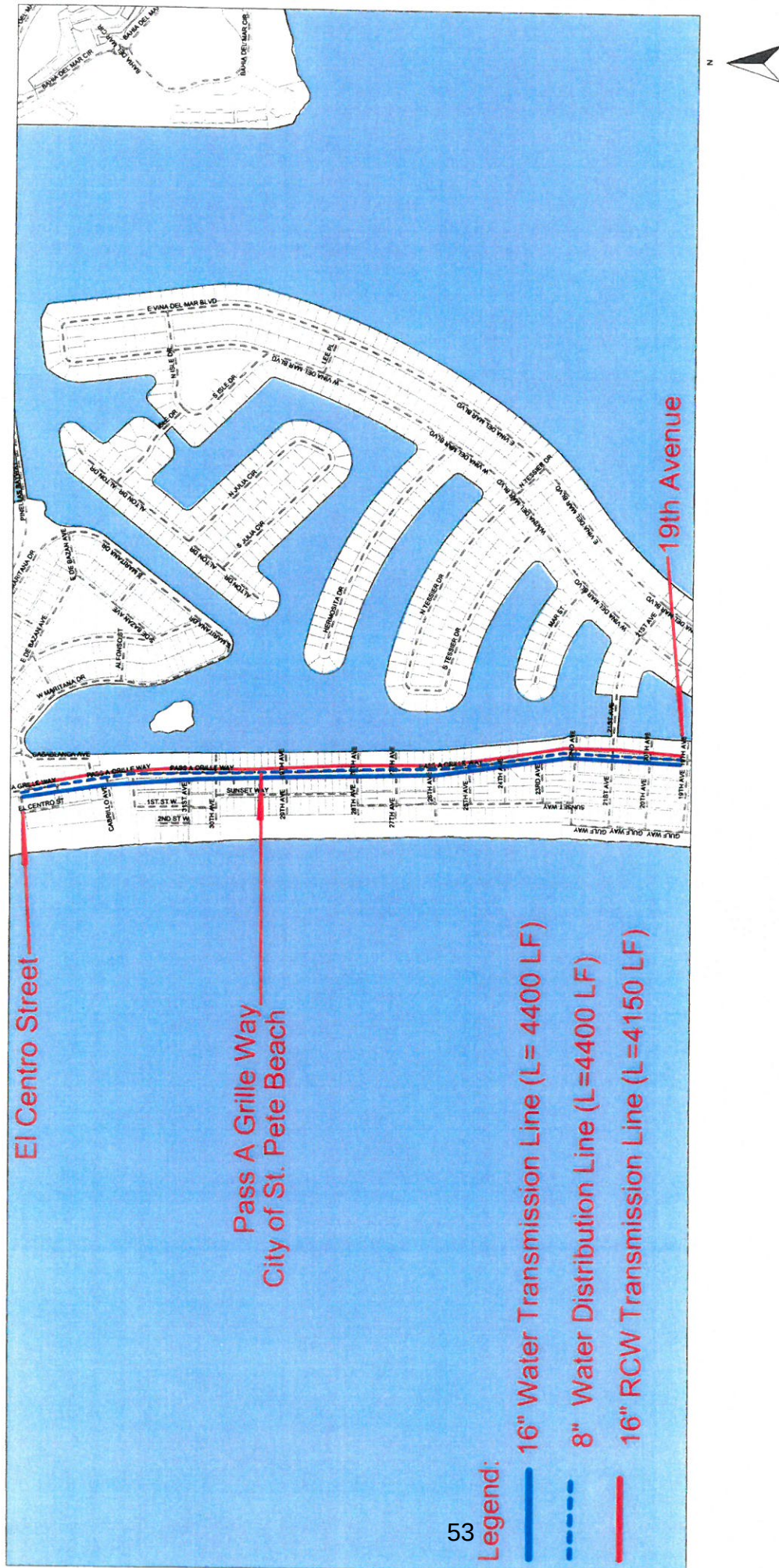
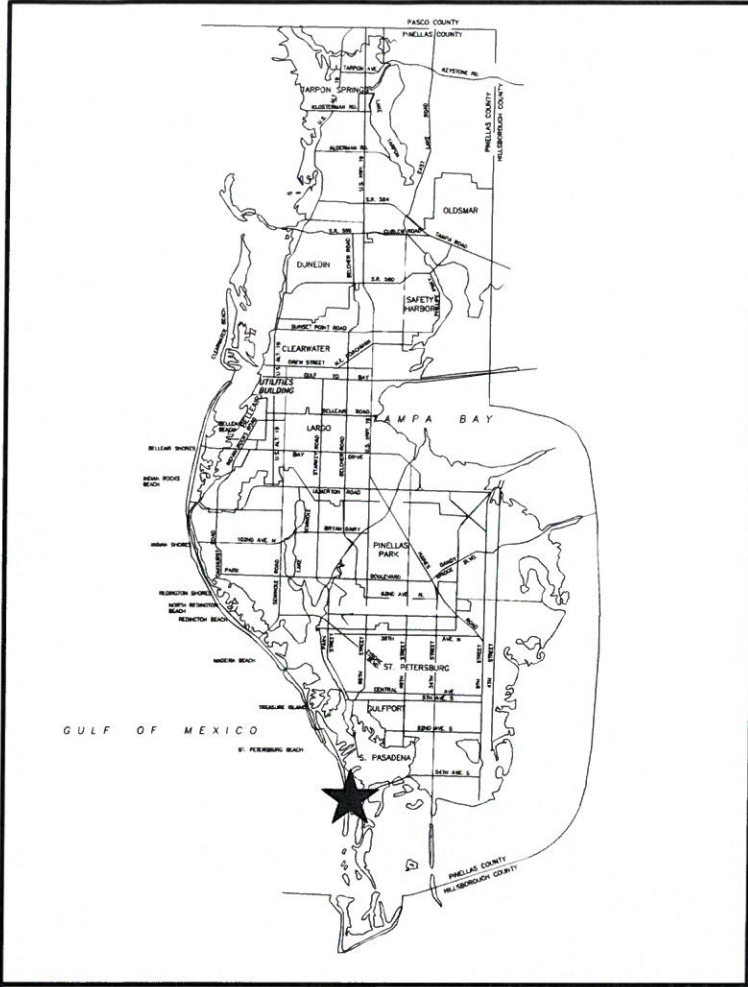
By:  _____
Office of the County Attorney

Exhibit A - Pass A Grille Way - Road and Drainage Improvements





**PASS A GRILLE WAY RD. AND DRAINAGE
IMPROVEMENTS LOCATION MAP**



**St. Pete Beach City Commission
Agenda Report**

Issue Considered: Authorize the City Manager to sign a Letter of Intent for Advance Payment of \$56,784.87 to Verizon to underground service on Pass-A-Grille Way from Cabrillo Avenue to 1st Avenue.

Date: April 28, 2015

Prepared By: John J. Kretzer, Interim Public Services Director

Summary of Issue: As part of the upcoming Pass-A-Grille Way Reconstruction Project, the City is asking all pole-based, above ground utility providers to provide the City with a cost estimate to underground these facilities.

On December 19, 2014, the City received a “Letter of Intent for Advance Payment” for Verizon to perform undergrounding of their facilities south from Cabrillo Avenue to 1st Avenue on the east and west sides of Pass-A-Grille Way.

The estimated cost of this work effort by Verizon is \$56,784.87. Upon execution of the Letter of Intent, Verizon will provide the City with an invoice and billing instructions.

Funding: Financing for the Pass-A-Grille Way Reconstruction project was discussed at the 1/27/2015 and 2/24/2015 City Commission meetings. Expenditures are being made from the Capital Improvement Plan (CIP) – Pass-A-Grille Way Reconstruction project.

Requested Motion: “I move to authorize the City Manager to sign a Letter of Intent for Advance Payment of \$56,784.87 to Verizon to underground service on Pass-A-Grille Way from Cabrillo Avenue to 1st Avenue.

Attachments: Letter of Intent for Advance Payment (12/19/14)

**Reviewed by
City Manager:** WS

Letter of Intent for Advance Payment

Date: December 19, 2014

To: Ian Wade
Project Manager
Public Services Department
155 Corey Avenue
St. Petersburg Beach, FL, 33706-1839

Re: 2312 8P0A2SL

Dear Mr. Wade,

This is in response to your request for Verizon to perform the following work: Underground the Verizon facilities south from Cabrillo Avenue to 1st Avenue on the east and west side of Pass A Grille way.

In addition to the advance payment listed below, you will be required to provide the following: *As stated in our meeting, the City of St. Petersburg Beach will provide a conduit for the Verizon service lines from the property line to the network interface device (nid) at each property. The City will also provide a 4 inch conduit at all situations where buried cable is to be placed.*

This price does not include any unknown relocation or adjustment to existing Verizon facilities caused by the relocation of other utilities (i.e., Duke Energy, Bright House, water, sewer, etc). All such adjustments and relocations will need to be paid by the City of St. Petersburg Beach on a case by case basis.

We have estimated that the cost of this work effort will be	\$ 56,784.87
Balance due Verizon	\$ 56,784.87

This is the amount of the advance payment that you will be required to make.

Upon job completion, you will be issued either: (1) a refund for any overpayment, or (2) an invoice, if the final actual costs exceed the advance payments received. Any unapplied portion of advance payments will be refunded to you within sixty (60) days of the final bill or cancellation of the job.

If you agree to these terms, please sign below and forward this signed letter agreement to:

Verizon
Attn: Robin Briggs
7701 E. Telecom Pkwy
MC: FLTDSA3- A3- MM05
Temple Terrace, FL 33637
Phone: 813-978-2280

If you are signing for a company or other entity, then by signing below, you warrant that you are authorized to bind the company or entity to the terms of this letter agreement.

Letter of Intent for Advance Payment (cont'd)

Upon receipt of your signed agreement the documentation will be forwarded to our billing center, which will send detailed instructions for making the advance payment. Your work order will be released for scheduling with our Construction Department once the advance payment is received.

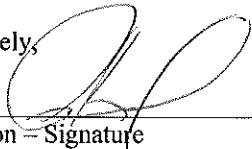
Verizon shall not be responsible to the extent its performance is delayed or prevented due to causes beyond its control, including but not limited to acts of God or the public enemy, terrorism, civil commotion, embargo, acts of government, any law, order, ordinance, regulation, or requirement of any government, fires, explosions, weather, quarantine, strikes, labor disputes, lockouts, and other causes beyond the reasonable control of Verizon.

Should you have any questions or concerns regarding these terms, please contact me Bob Cash at 727 562 1108.

Please be advised that the price estimate quoted above is only valid for sixty (60) days from the date of this letter. If this work request is cancelled after you have signed the agreement, you will be billed for any Engineering and Construction cost incurred after the date of signature that may include the cost to place and/or remove facilities.

If we do not receive this signed agreement and your full advance payment within this sixty (60) day period, we will assume that you do not want the work to be undertaken and the project will be cancelled.

Sincerely,



Verizon - Signature

Verizon - Title

I agree to the terms of this agreement:

Accepted (Signature): _____

Print Name & Title: _____

Company: _____

FULL Billing Address: _____

Telephone #: _____

Date: _____

**St. Pete Beach City Commission
Agenda Report**

Issue Considered: Ordinance No 2015-06, amending Chapter 6, Alcoholic Beverages of the City of St. Pete Beach Code of Ordinances relating to public consumption or possession of alcoholic beverages

Date: May 12, 2015

Prepared By: Matt McLachlan, Calvin Giordano & Assoc.

Through: Wayne Saunders, City Manager WS

Summary of Issue: Chapter 6 of the City Code restricts where the public can consume or possess alcoholic beverages. Currently, it is unlawful for the public to drink or consume alcoholic beverages on or upon all public streets, all public beach lands, any public sidewalk, any city park, and all private sand beach areas upland of the Gulf of Mexico and adjacent to private property. Provided, however, the City Commission may issue a permit for special occasions.

This ordinance gives the City Commission the ability to permit public consumption of alcoholic beverages on public streets, sidewalks and private sand beach areas in connection with the approval of an outdoor dining or drinking area permit.

The City Commission will be considering a separate ordinance dealing the permitting and regulation of outdoor dining and drinking areas on April 14, 2015 (first reading). First Reading of the Ordinance was tabled due to continued conversations with the Sheriff's office. First reading of the Ordinance was April 28, 2015. Staff recommends in that Ordinance that all outdoor dining and drinking area permits require conditional use approval which would allow the City Commission to consider the individual impacts of each case and impose any necessary conditions to control and ameliorate those impacts. Further, the current prohibition on alcoholic beverage consumption on private sand beach areas is proposed to be limited to those properties where the adjoining upland portion is occupied by a non-residential or temporary lodging use. Therefore, residents who own or partially own a sand beach area would be allowed to consume alcoholic beverages on their portion of the beach.

On February 17, 2015, the Planning Board held a public hearing on the ordinance and unanimously voted in favor of its passage. Subsequent to the meeting, the ordinance was amended as follows:

Section 1 - Definitions for “sand beach areas”, “sovereignty submerged land” and strengthen and clarify other terms;

Section 2, Prohibition of the sale of alcohol to any person below the legal age as established by state law added;

On April 28th, 2015, the City Commission held a public hearing on the Ordinance and voted in favor of its passage 4 – 1 with changes. The attached Ordinance includes changes that the Commission directed staff to make. Specifically the Ordinance addresses the consumption of alcohol on the private sand beach of residential properties and commercial or transient lodging properties the same, and would require the same permitting approval process.

Requested Motion: I move to approve Ordinance No. 2015-06 on second reading

Attachment: Ordinance No. 2015-06

ORDINANCE 2015-06

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF ST PETE BEACH, FLORIDA, AMENDING CHAPTER 6, ALCOHOLIC BEVERAGES, ARTICLE I, IN GENERAL OF THE CITY OF ST PETE BEACH CODE OF ORDINANCES BY AMENDING SECTION 6.1, DEFINITIONS, AMENDING THE DEFINITION OF ESTABLISHMENT DEALING IN ALCOHOLIC BEVERAGES AND ADDING NEW DEFINITIONS OF SAND BEACH AREAS AND SOVEREIGNTY SUBMERGED LAND; AMENDING SECTION 6.3, SALE TO CERTAIN PERSONS PROHIBITED, BY PROHIBITING THE SALE OF ALCOHOLIC BEVERAGES TO ANY PERSON BELOW THE LEGAL AGE AS ESTABLISHED BY STATE LAW; AMENDING SECTION 6.5, PUBLIC CONSUMPTION OR POSSESSION RELATING TO RESTRICTIONS AND PERMITTING OF PUBLIC ALCOHOL CONSUMPTION ON PUBLIC LANDS, RIGHTS-OF-WAY, SAND BEACH AREAS AND SOVEREIGNTY SUBMERGED LANDS; PROVIDING FOR PUBLICATION IN ACCORDANCE WITH THE REQUIREMENTS OF LAW; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST PETE BEACH, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED THAT:

SECTION 1. Section 6.1 of Article I, Chapter 6, of the City of St. Pete Beach Code of Ordinances is hereby amended as follows:

Sec. 6-1. - Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Alcoholic beverage means any beverage containing more than one percent of alcohol by weight.

Club means any group of persons associated together as a duly chartered or incorporated organization, including a social club incorporated by order of the circuit court, which holds a license issued by the state for the sale of alcoholic beverages.

Establishment dealing in alcoholic beverages means any business or establishment licensed by the state for the sale of alcoholic beverages; any area or part of any property, building or structure in which alcoholic beverages are kept for sale, offered for sale, sold, served or dispensed under license by the state; any other area, property, building or structure or part thereof having an entrance, door or other passageway that could in any manner be used or utilized as a means of access, ingress or egress into the area in which alcoholic beverages are kept, offered for sale, sold or dispensed; or which is in any other manner capable of access,

ingress or egress at any time to the area in which alcoholic beverages are kept, offered for sale, sold, served or dispensed. However, the term "establishment dealing in alcoholic beverages," when applied to a hotel or club, as defined in this section, means that area (indoor or outdoor) or part of such hotel or club in which alcoholic beverages are kept, sold, served or dispensed when such area is capable of being closed or in some other manner set apart and forbidden to access, including sand beach areas as defined herein and as depicted in the Vendor's state alcoholic beverage license.

Sale or sell includes any transfer of liquor, wine or beer or other alcoholic beverages for a consideration, and any gift of liquor, beer or wine in connection with or as a part of a transfer of property other than liquor, beer or wine or other alcoholic beverages for a consideration.

Sand beach areas means the zone of unconsolidated material that extends landward from the mean high water line to the place where there is marked change in material or physiographic form.

Sovereignty submerged land include, but are not limited to, tidal lands, sandbars, shallow banks and lands waterward of the ordinary or mean high water line, beneath navigable fresh water or beneath tidally-influenced waters.

Vendor means any person who keeps for sale, sells or dispenses any alcoholic beverages in any quantity in any place or business licensed by the state for the sale of alcoholic beverages, or any person who holds a license from the state for the sale of alcoholic beverages, including the owner, manufacturer, operator, proprietor or licensee or the servant, agent or employee of any one of such.

SECTION 2. Section 6.3 of Article I, Chapter 6, of the City of St. Pete Beach Code of Ordinances is hereby amended as follows:

Sec. 6-3. - Sale to certain persons prohibited.

No person who is a vendor of alcoholic beverages shall sell, furnish or deliver or permit any person in his employ to sell, furnish or deliver any alcoholic beverages in any quantity to any person who is intoxicated or below the legal age as established by state law.

SECTION 3. Section 6.5 of Article I, Chapter 6, of the City of St. Pete Beach Code of Ordinances is hereby amended as follows:

Sec. 6-5. - ~~Public~~ Consumption or possession of alcoholic beverages.

~~(a) As used in this section, the term "beach" means the zone of unconsolidated material that extends landward from the mean low water line to the place where there is marked change in material or physiographic form.~~^[2]

~~(b)~~ Except as provided in subsection (e) of this section, it shall be unlawful to drink or consume alcoholic beverages on or upon:

- (1) All public streets.
 - (2) All public beach lands. ¹³¹
 - (3) Any public sidewalk.
 - (4) Any city park.
 - (5) All private sand beach areas upland of the Gulf of Mexico and adjacent to private property ~~where the upland portion of the subject property is occupied by a non-residential or temporary lodging use.~~ ¹⁴¹
 - (6) All sovereignty submerged land.
- (e~~b~~) For public beaches, notice of this section shall be posted in a prominent beach access location by the city. Where the upland property is used for some commercial use, including but not limited to hotels and resorts on the beach, notice shall be posted by the owner and shall contain language determined to be acceptable by the City Attorney. Where the upland property is a multifamily residential use, the owner or condominium association shall be responsible for posting the notice. Where the upland property is less than three residential living units, the city shall post the notice at the closest public access to the beach.
- (d~~c~~) It shall be unlawful for any person to carry on or about his person any container of alcoholic beverages, whether or not the container is a bottle, can, carton or other form of container, in those areas described in subsection (b~~a~~) of this section unless a permit has been issued pursuant to subsection (e) of this section otherwise allowing said activity to occur under any certain terms and conditions stated in the permit. This subsection shall not be applicable in those areas described in subsections (b~~a~~)(1), and (3), ~~and~~ (5) of this section if the alcoholic beverage is contained in a sealed container or if the bottle, can, carton or other container has never been opened since the time the beverage was originally bottled at the manufacturer's or bottler's plant.
- (e~~d~~) Possession of any container of alcoholic beverages wherein the seal has been broken, the bottle cap or pop-top has been opened or removed or where the container may seem to be open or to have been opened shall constitute prima facie evidence of a violation of this section.
- (f~~e~~) Permits allowing the consumption of alcohol for special ~~occasions~~ events, outdoor dining or drinking areas, or residentially owned private sand beach areas may be issued as follows:
- (1) The city commission may ~~approve special permits for~~ authorize the consumption of alcoholic beverages in the areas described in subsections (b~~a~~)(1), (2), (3), (4) and (5) in connection with the approval of a special event permit issued pursuant to Article II of Chapter 26 of this Code.
 - (2) The city commission may authorize the sale and consumption of alcoholic beverages in connection with the approval of a conditional use permit for an outdoor dining area or outdoor drinking area in the areas described in subsections (a)(1) and (3) or with the approval of a conditional use permit for an outdoor drinking area in the area described

~~in subsection (a)(5) as provided by the City of St. Pete Beach Land Development Code in cases where the upland portion of the subject property is principally used for temporary lodging purposes.~~

~~(23) Owners of private property upland of the beach sand beach areas may obtain special permits for the consumption of alcoholic beverages for special occasions. The permits shall be issued by the department of planning and development city manager or his or her designee and shall include conditions necessary to protect the safety, health and welfare of the public. The upland owner shall be entitled to no more than three permits per month. The area of the beach subject to the permit shall be marked with approved temporary markers, and the consumption of alcohol shall be confined to the marked area. Permits shall not authorize consumption before 8:00 a.m. and shall terminate no later than 10:00 p.m. The city commission may authorize the consumption of alcoholic beverages in the area described in subsection a(5) when the private sand beach area adjoins a residential use. Said permission shall be in the form of a conditional use permit issued pursuant to the review and approval requirements of Division 4 of the City of St. Pete Beach Land Development Code.~~

SECTION 4. This Ordinance shall be published in accordance with the requirements of law.

SECTION 5. This Ordinance shall become effective immediately upon final passage and adoption.

PASSED ON FIRST READING _____, a.d. 2015

PASSED ON SECOND AND FINAL READING _____, a.d. 2015

Maria Lowe, MAYOR

FIRST READING: _____

PUBLISHED: _____

SECOND READING: _____

PUBLISHED: _____

I, Rebecca C. Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this _____ day of _____, 2015.

Rebecca C. Haynes, City Clerk

APPROVED AS TO LEGAL FORM AND CORRECTEDNESS:

City Attorney
Andrew Dickman, Esq.

**St. Pete Beach City Commission
Agenda Report**

Issue Considered: Ordinance No 2015-02 – Outdoor Dining Areas; Definitions and Use Permissions for Eating and Drinking Establishments

Date: May 1, 2015

Prepared By: Matt McLachlan, Calvin Giordano & Assoc.

Through: Wayne Saunders, City Manager WS

Summary of Issue: Proposed for your consideration are City-initiated amendments to the Land Development Code relating to the reclassification, standardization and definition of eating and drinking establishments and regulations concerning outdoor dining and outdoor drinking areas.

Currently, the City's Code provides for the City Manager to authorize outdoor seating at restaurants established as of July 1, 2003, that meet the following requirements: (1) are 500 sq. ft. or less in area and do not encroach into a required setback; (2) do not increase restaurant seating; (3) do not diminish existing on-site parking; (4) provide protective barriers between the outdoor seating area and any adjacent vehicular use area; (5) restricts lighting to the subject property; and (6) does not locate outdoor seating adjacent to residentially zoned property. All other restaurants that wish to provide outdoor seating must be located in a zone that authorizes outdoor seating by right or with conditional use approval as specified on the attached chart. The Code does not provide performance standards on how outdoor seating is to be located and operated in these zones thereby leaving it up to the City to negotiate specific requirements on a case by case basis as part of the conditional use or right-of-way use permitting process when outdoor (café) seating encroaches onto a public sidewalk.

The Planning Board reviewed sample regulations from other cities and considered the proposed ordinance at workshops held on September 16, 2014 and December 16, 2014. The Planning Board held public hearings on January 20, 2015 and February 17, 2015. The Board voted unanimously in favor of the ordinance.

Subsequent to the Planning Board making its recommendation, the ordinance was further reviewed internally by Staff and further modifications were made to the Ordinance that have not been reviewed by the Planning Board. Therefore, the additional proposed changes should be viewed only as a Staff recommendation which include: (1) requiring a conditional use permit for all outdoor dining and outdoor drinking areas to establish; (2) providing approval consideration for outdoor drinking areas to establish within public rights-of-way subject to the same requirements as outdoor dining areas; (3) Expanding the definition of outdoor drinking to cover a portion of a private sand beach affiliated with an accessory hotel or motel bar reserved for the exclusive use of overnight guests; and (4) adding a general requirement that on private sand beach areas, the permitted area for outside food and beverage consumption shall be setback at least 125 feet from the shoreline (this area is envisioned to encompass a 'cabana zone' as may be established by the Beach Management ordinance currently under development).

The City Commission was scheduled to hear the Ordinance on April 14th, 2015 for first reading; the item was tabled in order to travel with other ordinances which pertain to outdoor alcohol consumption. The item was again taken up on April 28th and was unanimously recommended to move to second reading on May 12th, 2015 with the request to remove the ability for outdoor eating or drinking on public sidewalks.

Requested Motion: I move to approve Ordinance No. 2015-02 on second reading

Attachment: Ordinance No. 2015-02
Existing and Proposed Use Classifications for Eating and Drinking Establishments by Zoning District

ORDINANCE NO. 2015-02

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF ST PETE BEACH, FLORIDA, AMENDING THE CITY OF ST PETE BEACH LAND DEVELOPMENT CODE BY AMENDING SECTION 2.1 OF DIVISION 2, DEFINITIONS, RELATING TO COMMERCIAL KITCHEN, EATING AND DRINKING ESTABLISHMENTS, OUTDOOR DINING AND OUTDOOR DRINKING; AMENDING SECTION 6.24 OF DIVISION 6, SUPPLEMENTAL REGULATIONS, RELATING TO GENERAL, OPERATIONAL, AND PERMITTING REQUIREMENTS AND CITY AUTHORITY FOR OUTDOOR DINING AREAS AND OUTDOOR DRINKING AREAS; AMENDING SECTION 13.2 OF DIVISION 13, ROR, RESIDENTIAL/OFFICE/RETAIL DISTRICT, ADDING COMMERCIAL KITCHEN, FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, AND TAKE-OUT ONLY RESTAURANT AS PERMITTED USES AND DELETING SIT-DOWN RESTAURANT ONLY AS A PERMITTED USE; AMENDING SECTION 13.4 OF DIVISION 13, ROR, RESIDENTIAL/OFFICE/RETAIL DISTRICT, ADDING BAR/LOUNGE AS A CONDITIONAL USE AND DELETING BAR (COCKTAIL LOUNGE, SALOON), RESTAURANT, OUTDOOR AS CONDITIONAL USES; AMENDING SECTION 14.2 OF DIVISION 14, RFM, RESORT FACILITIES MEDIUM DISTRICT, ADDING COMMERCIAL KITCHEN, FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, BAR/LOUNGE AS PERMITTED USES AND DELETING BAR (COCKTAIL LOUNGE, SALOON) OR SIT DOWN RESTAURANT AS PERMITTED USES; AMENDING SECTION 14.4 OF DIVISION 14, RFM, RESORT FACILITIES MEDIUM DISTRICT, ADDING TAKE-OUT ONLY RESTAURANT AND RESTAURANT WITH DRIVE-THROUGH SERVICE AS CONDITIONAL USES AND DELETING FAST FOOD, BEACH BAR AND OUTDOOR RESTAURANT AS CONDITIONAL USES; AMENDING SECTION 15.2 OF DIVISION 15, CG-1, COMMERCIAL DISTRICT, ADDING FULL-SERVICE RESTAURANT, LIMITED SERVICE RESTAURANT, BAR/LOUNGE AS PERMITTED USES AND DELETING BAR (COCKTAIL LOUNGE, SALOON) AND SIT DOWN RESTAURANT AS PERMITTED USES; AMENDING SECTION 15.4 OF DIVISION 15, CG-1, COMMERCIAL DISTRICT, ADDING COMMERCIAL KITCHEN, TAKE-OUT ONLY RESTAURANT AND RESTAURANT WITH DRIVE-THROUGH SERVICE AS CONDITIONAL USES AND DELETING FAST FOOD RESTAURANT, NIGHTCLUB OR OUTDOOR RESTAURANT AS CONDITIONAL USES; AMENDING SECTION 16.2 OF DIVISION 16, CG-2, COMMERCIAL DISTRICT, ADDING COMMERCIAL KITCHEN, FULL-SERVICE RESTAURANT, LIMITED SERVICE RESTAURANT AS PERMITTED USES AND DELETING SIT

[Second reading](#)

DOWN RESTAURANTS AS A PERMITTED USE; AMENDING SECTION 16.4 OF DIVISION 16, CG-2, COMMERCIAL DISTRICT, ADDING RESTAURANT WITH DRIVE-THROUGH SERVICE, TAKE-OUT ONLY RESTAURANT, BAR/LOUNGE AS CONDITIONAL USES AND DELETING BAR (COCKTAIL LOUNGES, SALOONS), NIGHT-CLUBS, FAST-FOOD RESTAURANTS, OUTDOOR RESTAURANTS, AND SIDEWALK CAFÉ AS CONDITIONAL USES; AMENDING SECTION 23.5 OF DIVISION 23, OFF-STREET PARKING AND LOADING RELATING TO REQUIRED PARKING FOR OUTDOOR DINING AND OUTDOOR DRINKING AREAS; AMENDING SECTION 30.2 OF DIVISION 30, TC-1, TOWN CENTER CORE DISTRICT, ADDING FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, TAKE-OUT ONLY RESTAURANT, BAR/LOUNGE, AND COMMERCIAL KITCHEN AS PERMITTED USES AND DELETING EATING AND DRINKING ESTABLISHMENTS WITH OR WITHOUT OUTDOOR SEATING AS A PERMITTED USE; AMENDING SECTION 32.2 OF DIVISION 32, CC1, COMMERCIAL CORRIDOR BLIND PASS ROAD, ADDING COMMERCIAL KITCHEN, FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, TAKE-OUT ONLY RESTAURANT, BAR/LOUNGE AS PERMITTED USES AND DELETING EATING AND DRINKING ESTABLISHMENTS WITH OR WITHOUT OUTDOOR SEATING AS A PERMITTED USE; AMENDING SECTION 32.4 OF DIVISION 32, CC1, COMMERCIAL CORRIDOR BLIND PASS ROAD, ADDING COMMERCIAL KITCHEN AS A CONDITIONAL USE; AMENDING SECTION 33.2 OF DIVISION 33, CC2, COMMERCIAL CORRIDOR GULF BOULEVARD REDEVELOPMENT DISTRICT, ADDING COMMERCIAL KITCHEN, FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, TAKE-OUT ONLY RESTAURANT, BAR/LOUNGE AS PERMITTED USES AND DELETING EATING AND DRINKING ESTABLISHMENTS WITH OR WITHOUT OUTDOOR SEATING AS A PERMITTED USE; AMENDING SECTION 33.4 OF DIVISION 33, COMMERCIAL CORRIDOR GULF BOULEVARD REDEVELOPMENT DISTRICT ADDING COMMERCIAL KITCHEN AS A CONDITIONAL USE; AMENDING SECTION 35.3 OF DIVISION 35, (LR) LARGE RESORT DISTRICT, ADDING FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, BAR/LOUNGE AS PERMITTED SECONDARY USES AND COMMERCIAL KITCHEN AND TAKE-OUT RESTAURANT ONLY AS PERMITTED SECONDARY USES SUBJECT TO CONDITIONAL USE APPROVAL PURSUANT TO DIVISION 4 OF THIS CODE AND DELETING EATING AND DRINKING ESTABLISHMENTS INCLUDING BARS AND COCKTAIL LOUNGES WITH OR WITHOUT OUTDOOR SEATING AS A PERMITTED SECONDARY USE; AMENDING SECTION 37.2 OF DIVISION 37, TC-2 TOWN CENTER COREY CIRCLE AND COQUINA WEST DISTRICTS,

ADDING FULL-SERVICE RESTAURANT, LIMITED SERVICE RESTAURANT, BAR/LOUNGE AS PERMITTED USES AND DELETING EATING AND DRINKING ESTABLISHMENTS WITH OR WITHOUT OUTDOOR SEATING AS PERMITTED USES; AMENDING SECTION 37.5 OF DIVISION 37, TC-2 TOWN CENTER COREY CIRCLE AND COQUINA WEST DISTRICTS ADDING TAKE-OUT ONLY RESTAURANT AS A CONDITIONAL USE, AMENDING SECTION 38.2 OF DIVISION 38, AC, ACTIVITY CENTER DISTRICT, ADDING FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, BAR/LOUNGE AS PERMITTED USES AND DELETING EATING ESTABLISHMENTS WITHOUT OUTDOOR SEATING AS A PERMITTED USE; AMENDING SECTION 38.4 OF DIVISION 38, AC, ACTIVITY CENTER, ADDING COMMERCIAL KITCHEN, TAKE-OUT ONLY RESTAURANT AND RESTAURANT WITH DRIVE THROUGH SERVICE AS ALLOWABLE CONDITIONAL USES AND DELETING EATING AND DRINKING ESTABLISHMENTS WITH OUTDOOR SEATING AS A CONDITIONAL USE; AMENDING SECTION 40.2 OF DIVISION 40, COMMUNITY REDEVELOPMENT DISTRICT – EIGHTH AVENUE (CRD-EA), ADDING COMMERCIAL KITCHEN, FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, BAR/LOUNGE AS PERMITTED USES AND DELETING SPECIALTY FOOD SUCH AS GOURMET TAKE-OUT, CATERING, COFFEE SHOPS, ETC. AND SIT DOWN RESTAURANTS AS PERMITTED USES; AMENDING SECTION 40.4 OF DIVISION 40, COMMUNITY REDEVELOPMENT DISTRICT – EIGHTH AVENUE (CRD-EA), ADDING COMMERCIAL KITCHEN, TAKE-OUT ONLY RESTAURANT AND BAR/LOUNGE AS ALLOWABLE CONDITIONAL USES; AMENDING SECTION 46.2 OF DIVISION 46, B/HC BOUTIQUE HOTEL/CONDO DISTRICT REPLACING RESTAURANTS AND BARS WITH EATING AND DRINKING ESTABLISHMENTS AS PERMITTED NON-RESIDENTIAL USES THAT ARE ACCESSORY AND SUBORDINATE TO TRANSIENT ACCOMODATION USES; AMENDING SECTION 46.4 OF DIVISION 46, B/HC BOUTIQUE HOTEL/CONDO DISTRICT, ADDING FULL-SERVICE RESTAURANT, LIMITED-SERVICE RESTAURANT, TAKE-OUT ONLY RESTAURANT, AND BAR/LOUNGE AS ALLOWABLE CONDITIONAL USES; PROVIDING FOR PUBLICATION IN ACCORDANCE WITH THE REQUIREMENTS OF LAW; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 163.3202, Florida Statutes, requires each local government in the State of Florida to adopt or amend and enforce land development code regulations that are consistent with and implement the adopted Comprehensive Plan; and

WHEREAS, the City of St. Pete Beach has previously adopted a land development code; and

WHEREAS, periodic updates and clarifications are necessary for successful implementation of a land development code.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST PETE BEACH, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED THAT:

SECTION 1. Section 2.1 of Division 2, Definitions, of the City of St. Pete Beach Land Development Code is hereby amended to provide as follows:

Sec. 2.1. - Words, terms and phrases defined.

Commercial Kitchen means an establishment where food and beverages are prepared for off-site consumption. Typical uses include catering facilities. This classification does not include businesses involved in the processing or manufacturing of food products.

Eating and drinking establishment means a business that is licensed to prepare and/or serves food or beverages for consumption by the public primarily engaged in serving prepared food and/or beverages for consumption on or off the premises. Such uses are regulated by type as follows:

~~Bar (cocktail lounge, saloon) means any establishment which is devoted primarily to the retailing and on premises drinking of malt, vinous, or other alcoholic beverages and which is licensed by the State of Florida to dispense or sell alcoholic beverages.~~

~~Beach bar means any building, structure or facility whether temporary or permanent, which is built, erected or provided as a location for the purpose of making retail sales of alcoholic or intoxicating beverages, or malt or vinous beverages, as an accessory use to a hotel or motel.~~

~~Fast food restaurant means a retail food service establishment without table service (order placement and delivery) provided to patrons; walk-up counter and carryout trade is a primary portion of the facility; includes fast food, drive through service, food delivery, carryout, public snack bar/automats, and delicatessens.~~

~~Nightclub means any restaurant, dining room, bar or similar establishment providing food or refreshments, which holds a 4 COP liquor license from the State of Florida Department of Business and Professional Regulation, Division of Alcoholic Beverages and Tobacco. Provided, however, any restaurant, dining room or similar establishment which holds a 4-COP liquor license with the "S," "SR" or "SRX" designation, shall be deemed an accessory use to the principal use and not a nightclub.~~

~~Outdoor restaurant means a portion of a restaurant, of any type, located outside which functions as an extension of the principal use of the private property of the restaurant. An outdoor restaurant is not located in a completely enclosed building and is open to the sky except that it may have awnings, umbrellas, or building overhang and shall be used exclusively for dining, drinking and circulation therein. An outdoor restaurant may provide either wait staff service or self service. (See also "Sidewalk cafe.")~~

~~Sidewalk cafe means a street level portion of a restaurant, of any type, located within the sidewalk area of the public right of way, which is normally adjacent to a street, which functions as an extension of the principal use of the private property of the restaurant. A sidewalk cafe is open to the sky except that it may have awnings or umbrellas, and shall be used for dining, drinking and circulation therein pursuant to the approved conditional use permit. A sidewalk cafe may provide either wait staff service or self service. (See also "Outdoor restaurant.")~~

~~Sit-down restaurant means a retail food service establishment with indoor seating only in which the principal use is the preparation, cooking, consumption, and sale of food and beverages.~~

Bar/Lounge means a business serving beverages for consumption on the premises as a primary use or as an accessory use to a hotel or motel and including on-site service of alcohol, including beer, wine, and mixed drinks.

Restaurant, Full-Service means a restaurant providing food and beverage services to patrons who order and are served while seated and pay after eating. Takeout service may also be provided.

Restaurant, Limited-Service means an establishment where food and beverages may be consumed on the premises, taken out, or delivered, but where limited table service is provided. This classification includes cafes, cafeterias, coffee shops, delicatessens, fast-food restaurants, sandwich shops, limited- service pizza parlors, self-service restaurants, and snack bars with indoor or outdoor seating for customers. This classification includes bakeries that have tables for on-site consumption of products. It excludes catering services that do not sell food or beverages for on-site consumption (See Commercial Kitchen).

Restaurant, Take-Out Only means a restaurant where food and beverages are prepared on a customer-demand basis and may be taken out or delivered, but are not consumed on the premises. No seating or other facilities for on-premises dining are provided.

Restaurant with Drive-Through Service means any eating or drinking establishment which has direct window service allowing customers in motor vehicles to pick up food or drink for off-premise consumption.

Outdoor Dining means a delineated area, including patios and similar areas, ~~located outside of and adjacent to~~affiliated with a restaurant unenclosed by walls where tables, seating and other furnishings are provided for patrons of the restaurant for eating and drinking.

Outdoor Drinking means a delineated area, including patios and similar areas, ~~located outside of and adjacent to~~affiliated with a bar/lounge unenclosed by walls where tables, seating and other furnishings may be provided for patrons of the bar/lounge for consuming beverages. For temporary lodging uses, the outdoor drinking area may occupy a portion of a private sand beach affiliated with an accessory hotel or motel bar reserved for the exclusive use of overnight guests.

SECTION 2. Section 6.24 of Division 6, Supplemental Regulations, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 6.24. - ~~Outdoor seating for existing restaurants.~~ Outdoor dining and outdoor drinking areas. A full or limited service restaurant may establish an outdoor dining area and a bar/lounge may establish an outdoor drinking area pursuant to the requirements of this Section and upon the issuance of a conditional use permit pursuant to the review and approval procedures provided under Division 4 of this Code. If public consumption of alcohol is proposed to occur on any public street, sidewalk or private sand beach area in connection with the outdoor dining or outdoor drinking area, approval by the City Commission is required pursuant to Chapter 6 of the City Code of Ordinances.

~~Existing sit down restaurants as of July 1, 2003, without outdoor seating areas may be permitted by the city manager to have one outdoor seating area as follows:~~

- ~~(a) Five hundred square feet or less in area, with no encroachment into the required setback;~~
- ~~(b) No increase in restaurant seating;~~
- ~~(c) There shall be no diminishment of existing parking on the site;~~
- ~~(d) When the seating area will be adjacent to a vehicle use area, protective barriers shall be installed between the seating area and the vehicle use area;~~
- ~~(e) All lighting shall be directed inward and shall not spill on to adjacent property;~~
- ~~(f) Said outdoor seating shall not be located adjacent to a residentially zoned property in any manner.~~

(a). General Requirements

(1) All outdoor dining and outdoor drinking areas located on private property shall comply with the following requirements:

- a. A landscape buffer and opaque wall or fence constructed at the maximum height allowed by this Code shall be required along the lot line of any yard containing an outdoor dining or outdoor drinking area when the lot line of

Second reading

said yard adjoins a property that is occupied by a residential use to effectively screen and mitigate external impacts as determined through the conditional use permitting process.

- b. Outside food and beverage consumption shall not extend beyond the permitted area. On private sand beach areas, the permitted area shall be setback at least 125 feet from the mean high water line.
- c. No outdoor food preparation is permitted.
- d. Suitable protective barriers shall be installed when an outdoor dining area or outdoor drinking area is located adjacent to a vehicular use area as determined by the Building Official.
- e. Upon the issuance of a tropical storm or hurricane warning, all tables, chairs and other equipment shall be securely stored inside.

(2) In addition to the above requirements, the following requirements shall be met for outdoor dining or outdoor drinking areas located within ~~city-owned~~ public right(s)-of-way:

- a. Outdoor dining or outdoor drinking areas shall ~~only be authorized when the adjoining sidewalk has a continuous minimum width of eight feet unless the Technical Review Committee determines that the area can be reasonably accommodated by a narrower sidewalk width~~ not be located on any public sidewalk and only be considered for the temporary use and occupation of an on-street parking space when its conversion is determined by the City Commission to be in the best interest of the City.
- ~~b. A minimum four feet of contiguous and unobstructed corridor space must be maintained at all times to ensure a clear pedestrian passageway. The pedestrian passageway shall be a straight line, parallel to the building face and curb line, for the entire length of the outdoor dining or outdoor drinking area.~~
- ~~e.b.~~ The outdoor dining or drinking area shall not extend beyond the ~~sidewalk street~~ frontage of the associated business establishment unless otherwise approved by the City Commission.
- ~~d.c.~~ All furnishings shall be of good design and made of quality materials and be maintained in a clean and attractive appearance and shall be in good repair at all times.
- ~~e. No furnishing shall be chained or attached to any tree, post, sign or other fixture.~~
- ~~f.d.~~ In addition to suitable protective barriers being installed, ~~t~~The interior perimeter around the outdoor dining or outdoor drinking area may be delineated using nonpermanent fixtures such as planters, decorative chains or other fixtures no less than thirty (30) inches and no greater than forty-two (42) inches in height as may be approved by the Building Official.

g.e. City Commission approval is required for public consumption of alcoholic beverages within public rights-of-way pursuant to Chapter 6 of the City Code of Ordinances.

(b). Required Permit. Conditional use permit application shall be made to the City. The permit application, in addition to the conditional use application requirements provided under Division 4 of this Code, shall specifically include the following information:

(1) Survey.

(2) Site plan depicting the proposed outdoor dining area or outdoor drinking area drawn to scale. The plan shall include the following information:

- a. Total square footage of the proposed outdoor dining area or outdoor drinking area.
- b. Number and placement of all seating/table arrangements and other elements.
- c. Distances between each seating/table arrangement, providing pedestrian clearance as required by the Florida Building Code and Florida Life Safety Code.
- d. All points of egress.
- e. Locations of signs prohibiting the removal of alcohol from the premises.
- f. For tenants as applicants, a letter of authorization from the property owner.

(3) Occupant load of principal business.

(4) Number of existing men's and women's bathrooms and fixtures.

(5) Copy of applicant's liquor license(s).

(c). Insurance and Indemnification. For outdoor dining or outdoor drinking areas using public right(s)-of-way, the following is required:

(1) By the use of any permit granted under this Section, the operator agrees to indemnify, defend, save and hold harmless the City, its officers, agents and employees from any and all claims, liability, lawsuits, damages and causes of action which may arise out of the use of the public right(s)-of-way. The operator shall enter into a written agreement with the City to evidence this indemnification. Such agreement must have the written approval of the City Attorney prior to issuance of a permit.

(2) The operator shall show evidence of:

- a. Comprehensive general liability insurance on an "occurrence" basis in an amount not less than \$1,000,000 combined single limit bodily injury liability and property damage liability. The City is to be specifically included as additional insured on the policy.
- b. Workers Compensation insurance applicable to its employees, if any, for statutory coverage limits in compliance with Florida laws, including employers' liability which meets all state and federal laws.

Second reading

- (3) The operator shall provide the City with the certificate(s) of insurance evidencing required coverages. Current certified copies of such required coverages shall be provided to the City when specifically requested in writing.
 - (4) All policies of insurance must be endorsed to provide the City with 30 days of notice of cancellation or restriction.
- (d). Revocation of permit. The City may revoke a permit for any outdoor dining or outdoor drinking area if it is found that:
- (1) Any necessary business or health permit has been suspended or revoked; or
 - (2) Changing conditions of pedestrian or vehicular traffic cause congestion necessitating removal of the outdoor dining or outdoor drinking area when located within public right(s)-of-way. Such decision shall be based on the findings of the Technical Review Committee that the existing conditions represent a danger to the health, safety or general welfare of the public and cannot be resolved through modification to the outdoor dining or outdoor drinking area layout; or
 - (3) The operator fails to comply with one or more requirements of the conditional use permit.
- (e). Removal or relocation of outdoor dining or outdoor drinking area and all related furnishings for right(s)-of-way repairs, emergency situations, or matters of public safety.
- (1) As necessitated by right(s)-of-way repairs, the City may require the temporary removal of outdoor dining or outdoor drinking area and all related furnishings. The operator shall be responsible for removing all furnishings at least 24 hours prior to the date identified in writing by the City. The City shall not be responsible for any costs associated with the removal or the return and installation of such furnishings.
 - (2) The City may cause the immediate removal or relocation of all or any part of the outdoor dining or outdoor drinking area occupying public right(s)-of-way in emergency situations. The City, its officers, agents and employees shall not be responsible for any damages or loss of furnishings used in association with an outdoor dining or outdoor drinking area relocated during emergency situations and shall not be responsible for any costs associated with the removal or the return and installation of any such furnishings.
 - (3) The City shall have the authority to secure or remove any furnishing(s) associated with the outdoor dining or outdoor drinking area occupying public right(s)-of-way if necessary in the interest of public safety.

SECTION 3. Section 13.2 of Division 13, ROR, Residential/Office/Retail District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Second reading

Sec. 13.2. - Permitted principal uses and structures.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the ROR Residential/Office/Retail District are as follows:

- (a) Clubs, community service.
- (b) Commercial kitchen
- (~~b~~c) Eating and drinking establishments—~~Sit-down restaurant only~~ full-service restaurant, limited-service restaurant, take-out only restaurant, subject to Sec. 6.24 of this Code as may be applicable.
- (~~e~~d) Financial institutions without drive-through service.
- (~~e~~) Laundries, self-service.
- (~~f~~) Offices.
- (~~f~~g) Printing and copying services.
- (~~g~~h) Residential dwellings—Attached single-family, detached single-family, multifamily and two-family.
- (~~h~~i) Retail sales.
- (~~i~~j) Social service agencies.

SECTION 4. Section 13.4 of Division 13, ROR, Residential/Office/Retail District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 13.4. - Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the ROR Residential/Office/Retail District are as follows:

- (a) Assisted living facilities.
- (b) Places of worship.
- (c) Communications facilities.
- (d) Daycare centers/kindergartens.
- (e) Docks, commercial—Class C only.
- (f) Eating and drinking establishment—~~Bar (cocktail lounge, saloon); restaurant, outdoor bar/lounge,~~ subject to Sec. 6.24 of this Code as may be applicable.
- (g) Laundries, dry cleaning.
- (h) Parking lots, off-premise.
- (i) Recreational—Public parks and/or recreational facilities.
- (k) Schools, public or private.
- (l) Schools, commercial.
- (m) Services, personal/business.
- (n) Transient accommodations—Bed and breakfast inns and motels only.
- (o) Utility substations and/or rights-of-way.
- (p) Veterinarians.

SECTION 5. Section 14.2 of Division 14, RFM, Resort Facilities Medium District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 14.2. - Permitted principal uses and structures.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the RFM Resort Facilities Medium District are as follows:

- (a) Clinics.
- (b) Clubs, community service.
- (c) Clubs, private.
- (d) Commercial kitchen
- ~~(de)~~ Eating and drinking establishments—~~Bar (cocktail lounge, saloon) or sit-down restaurant~~ full-service restaurant, limited-service restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable.
- (ef) Financial institutions without drive-through service.
- ~~(fg)~~ Kennels without outdoor runs.
- ~~(gh)~~ Laundries, self-service.
- ~~(hi)~~ Offices.
- (ij) Printing and copying services.
- (jk) Residential dwellings—Multifamily only.
- ~~(kl)~~ Retail sales.
- ~~(lm)~~ Services, personal/business.
- ~~(mn)~~ Social service agencies.
- ~~(no)~~ Transient accommodations—Bed and breakfast inn, hotel or motel, or resort condominium.
- (op) Veterinarians.

SECTION 6. Section 14.4 of Division 14, RFM, Resort Facilities Medium District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 14.4. - Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the RFM Resort Facilities Medium District are as follows:

- (a) Assisted living facilities.
- (b) Places of worship.
- (c) Commercial water sports, non-motorized vessels of 16 feet or less in length only.
- (d) Communications facilities.
- (e) Daycare centers/kindergartens.
- (f) Docks, commercial—Classes A, B and C.

- (g) Eating and drinking establishments—~~Fast food take-out only restaurant, restaurant with drive-through service, beach bar and outdoor restaurant.~~
- (h) Financial institutions with drive-through service.
- (i) Laundry, dry cleaning.
- (j) Parking lots, commercial and/or off-premise.
- (k) Recreational—Commercial recreation; public parks and/or recreational facilities.
- (l) Recycling centers.
- (m) Schools—Public, private and/or commercial.
- (n) Utility substations and/or rights-of-way.
- (o) Vessel for hire businesses.

SECTION 7. Section 15.2 of Division 15, CG-1, Commercial District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 15.2. - Permitted principal uses and structures.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the CG-1 Commercial District are as follows:

- (a) Automotive retail services.
- (b) Clinics.
- (c) Clubs, community service.
- (d) Clubs, private.
- (e) Commercial kitchen.
- (ef) Eating and drinking establishments—~~Bar (cocktail lounge, saloon) and sit down restaurant~~ full-service restaurant, limited-service restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable.
- (~~fg~~) Financial institutions without drive-through service.
- (~~gh~~) Kennels without outdoor runs.
- (~~hi~~) Laundries, self-service.
- (~~ij~~) Mortuaries.
- (~~jk~~) Offices.
- (~~kl~~) Printing and copying services.
- (~~lm~~) Retail sales.
- (~~mn~~) Services, personal/business.
- (~~no~~) Social service agencies.
- (~~op~~) Transient accommodations—Hotels, motels and resort condominiums only.
- (~~pq~~) Veterinarians.

SECTION 8. Section 15.4 of Division 15, CG-1, Commercial District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 15.4. - Allowable conditional uses.

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Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the CG-1 Commercial District are as follows:

- (a) Assisted living facilities.
- (b) Adult entertainment establishments—See also Chapter 10, St. Pete Beach Code of Ordinances.
- (c) Automotive rental agencies.
- (d) Automotive sales lots.
- (e) Automotive services and repairs.
- (f) Automotive service stations.
- (g) Boat sales and repair facilities.
- (h) Car wash facilities.
- (i) Commercial boat docking facilities.
- ~~(j)~~ Commercial kitchen.
- ~~(jk)~~ Commercial water sports, non-motorized vessels of 16 feet or less in length only.
- ~~(kl)~~ Communication facilities.
- ~~(lm)~~ Docks, commercial—Classes A, B, C, and D.
- ~~(mn)~~ Eating and drinking establishment—~~Fast food restaurant, nightclub or outdoor restaurant~~ take-out only restaurant, restaurant with drive-through service.
- ~~(no)~~ Financial institutions with drive-through services.
- ~~(op)~~ Kennels with outdoor runs.
- ~~(pq)~~ Laundries, dry cleaning.
- ~~(qr)~~ Marinas.
- ~~(rs)~~ Parking lots, commercial and/or off-premise.
- ~~(st)~~ Printing, general.
- ~~(tu)~~ Recreational—Commercial recreation; public parks and/or recreational facilities.
- ~~(uv)~~ Recycling centers.
- ~~(vw)~~ Schools, public or private and/or commercial.
- ~~(wx)~~ Services, commercial/business.
- ~~(xy)~~ Storage facilities with outdoor storage.
- ~~(yz)~~ Storage, self-service.
- ~~(zaa)~~ Theatres.
- ~~(aabb)~~ Utility substations and/or rights-of-way.
- ~~(bbcc)~~ Vehicle for hire businesses.
- ~~(eedd)~~ Vessel for hire businesses.

SECTION 9. Section 16.2 of Division 16, CG-2, Commercial District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 16.2. - Permitted principal uses and structures.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the CG-2 Commercial District are as follows:

- (a) Commercial kitchen.
- (~~a~~b) Eating and drinking establishments—~~Sit down—restaurants~~ full-service restaurant, limited-service restaurant, subject to Sec. 6.24 of this Code as may be applicable.
- (~~b~~c) Financial institutions without drive-through service.
- (~~e~~d) Offices.
- (~~d~~e) Printing and copying services.
- (~~e~~f) Retail sales.
- (~~f~~g) Services, personal/business.

SECTION 10. Section 16.4 of Division 16, CG-2, Commercial District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 16.4. - Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the CG-2 Commercial District are as follows:

- (a) Adult entertainment establishments—See also Chapter 10, St. Pete Beach Code of Ordinances.
- (b) Automotive service stations.
- (~~c~~) ~~Bar (cocktail lounges, saloons).~~
- (~~d~~c) Commercial boat docking facilities.
- (~~e~~d) Commercial water sports, non-motorized vessels of 16 feet or less in length only.
- (~~f~~e) Communications facilities.
- (~~g~~f) Commercial docks—Classes A, B and C only.
- (~~h~~g) Eating and drinking establishments—~~Nightclubs, fast food restaurants, outdoor restaurants and sidewalk café~~ restaurant with drive-through service, take-out only restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable.
- (~~i~~h) Mortuaries.
- (~~j~~i) Parking lots—Commercial and/or off-premise.
- (~~k~~j) Recreational—Commercial recreation; public parks and/or recreational facilities.
- (~~l~~k) School, commercial.
- (~~m~~l) Theaters.
- (~~n~~m) Utility substations and/or rights-of-way.
- (~~o~~n) Vessel for hire businesses.

SECTION 11. Section 23.5 of Division 23, Off-Street Parking and Loading of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 23.5. - Number of parking spaces required.

Regardless of any other requirement of these regulations, each and every separate or individual store, office, or other business shall be provided with at least one off-street parking space, excluding required handicap parking, unless specific provision to the contrary is made herein.

The following minimum off-street parking requirements are applicable to all districts except as otherwise provided herein:

Use	Parking Requirement (spaces)
Automobile Service Station	1 space per bay plus 3 spaces
Any form of residential	2 per unit
Bar, Nightclub	1 per 50 SF floor area
Bed and Breakfast	1 space per guest room plus 1 space for owner or operator
Convenience Store	1 per 200 SF floor area
Grocery Store	1 per 100 SF floor area
Legitimate Theatre	1 per 3 seats
Marina or Commercial Docks	
Boat slips/live aboard	1.0 per boat slip
High and dry slips	1.0 per 4 boat slips or fraction thereof
Boat slips/non-live aboard	1.0 per 4 boat slips or fraction thereof
Office	1 per 300 SF floor area
Place of Worship	1 per 3 seats in auditorium or chapel area
Restaurant	1 per 100 SF floor area
Retail Sales and Service	1 per 200 SF floor area
Schools	3 spaces per 1,000 square feet of floor area, plus one for each teacher

Theater, Movie	1 per 3 seats
Transient Accommodations	1 per transient accommodation unit, plus 1 additional per 10 transient accommodation units, plus additional parking for accessory facilities in accordance with the following:
Office space	1 per 300 SF floor area
Retail and restaurant space	1 per 200 SF floor area
Ballrooms, lobby area, conference and meeting rooms, and fitness facilities	1 per 1,000 SF floor area
Vehicle Rental	1 per 200 SF floor area, must be marked as customer spaces plus one for each rental vehicle

- (a) In instances of new construction or facility expansion involving the establishment of ~~outdoor seating areas or other~~ accessory or supplemental uses, the number of required parking spaces shall be increased in accordance with the above table such that parking is adequate to accommodate the entire area of ~~seating or use~~, both internal and external to the structure; provided, however, outdoor dining or outdoor drinking areas shall not be required to provide additional parking when the outdoor dining or outdoor drinking area is less than 500 square feet or is located on a private sand beach affiliated with a temporary lodging establishment. Any portion of the outdoor dining or outdoor drinking area greater than 500 square feet not located on a private sand beach affiliated with a temporary lodging establishment -shall be included as gross floor area for the purposes of calculating off-street parking requirements at the rate set forth in the above table or as otherwise provided by this Code.
- (b) Parking spaces that are in excess of the number of spaces required by this division shall be constructed as grass parking, turf block or in a parking structure.
- (c) Where a project is intended to be developed in phases, the city manager may approve the development of a parking area intended to serve each phase as it is developed.
- (d) All projects shall be required to provide a minimum of five bicycle rack spaces, or a number of bicycle rack spaces equal to ten percent of the required number of vehicle parking spaces, whichever is greater.

- (e) For properties zoned CRD-EA ~~Eighth Avenue~~, permitted non-residential and transient accommodation uses are exempt from the minimum parking standards above. Residential uses shall provide the required off-street parking in the table above.
- (f) For commercially zoned properties abutting Corey Avenue east of Gulf Boulevard, additional parking shall be required for a change of use only if there is an increase in the floor area of an existing building or construction of additional buildings.

SECTION 12. Section 30.2 of Division 30, TC-1, Town Center Core District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 30.2. - Permitted uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses in the TC-1 Town Center Core District are as follows:

- (a) Financial institutions without drive-through service.
- (b) Government buildings and other public or civic facilities, including parks and recreation facilities and transit stations and stops.
- (c) Office uses.
- (d) Personal service businesses such as barbershops, beauty shops, day spas, tailoring, garment alteration and repair, shoe repair, pet grooming, dry cleaning pick-up and drop-off and other personal service uses similar in character and impact. Body art, bail-bond, check-cashing, and other similar services are prohibited.
- (e) Printing and copying.
- (f) Residential uses as a component of mixed-use development only. Residential uses shall not be allowed on the ground floor level of any structure.
- (g) ~~Eating and drinking establishments with or without outdoor seating. Drive-through service is not permitted~~ Eating and drinking establishments - full-service restaurant, limited-service restaurant, take-out only restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable.
- (h) Retail uses except automotive sales lots, pawn shops, liquor stores, and tobacco shops.
- (i) Theaters, cinemas and other indoor commercial entertainment facilities.
- (j) Artist studios and art galleries.
- (k) Grocery stores and pharmacies without drive-through service.
- (l) Commercial kitchen.

SECTION 13. Section 32.2 of Division 32, CC1, Commercial Corridor Blind Pass Road, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 32.2. - Permitted uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the CC1 Commercial Corridor Blind Pass Road are as follows.

- (a) Clinics;
- (b) Clubs, community service establishments;
- (c) Clubs, private;
- (d) Eating and drinking establishments—~~with or without outdoor seating~~ full-service restaurant, limited-service restaurant, take-out only restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;
- (e) Financial institutions with and without drive-through service;
- (f) Laundries, self-service;
- (g) Office uses;
- (h) Printing and copying services;
- (i) Retail uses;
- (j) Personal service businesses such as barbershops, beauty shops and salons, day spas, gyms and fitness centers, tailoring, garment alteration and repair, shoe repair, dry cleaning pick-up and drop-off and other personal service uses similar in character and impact;
- (k) Social service agencies;
- (l) Veterinarians; dog grooming facilities;
- (m) Multi-family residential uses as a component of mixed-use development only. Multi-family residential uses shall not be allowed on the ground level of any structure;
- (n) Single-family, detached residential uses (Only on parcels which do not directly abut Blind Pass Road);
- (o) Government buildings and other public facilities, including parks and recreation facilities;
- (p) Artist studios with retail and/or wholesale distribution space for artist's original handmade works, excluding mass produced or manufactured products;
- (q) Public facilities such as schools, public parks and/or recreational facilities;
- (r) Other commercial uses similar in character, nature and impact to permitted uses listed above.

SECTION 14. Section 32.4 of Division 32, CC1, Commercial Corridor Blind Pass Road, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 32.4. - Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this code, allowable conditional uses in the CC1 Commercial Corridor Blind Pass Road Districts are as follows.

- (a) Automotive rental agencies;

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- (b) Automobile services—repair;
- (c) Automotive service stations, with or without a carwash and/or a convenience store;
- (d) Commercial kitchen;
- (~~e~~) Communication facilities;
- (~~f~~) Parking lots, commercial and/or off-premise.

SECTION 15. Section 33.2 of Division 33, CC2, Commercial Corridor Gulf Boulevard District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 33.2. - Permitted uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the CC2 Commercial Corridor Gulf Blvd are as follows.

- (a) Clinics;
- (b) Eating and drinking establishments ~~—with or without outdoor seating—full-service restaurant, limited-service restaurant, take-out only restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;~~
- (c) Financial institutions with or without drive-through service;
- (d) Laundries, self-service;
- (e) Office uses;
- (f) Printing and copying services;
- (g) Retail uses;
- (h) Personal service businesses such as barbershops, beauty shops, tailoring, garment alteration and repair, shoe repair, dry cleaning pick-up and drop-off and other personal service uses similar in character and impact;
- (i) Veterinarians, dog grooming establishments;
- (j) Multi-family residential uses as a component of mixed-use development only. Multi-family residential uses shall not be allowed on the ground level of any structure;
- (k) Single-family, detached residential uses (Only on parcels which do not directly abut Gulf Boulevard);
- (l) Artist studios and galleries with retail and/or wholesale distribution space for artist's original handmade works, excluding mass produced or manufactured products;
- (m) Grocery stores, pharmacies, markets;
- (n) Commercial recreation, public parks and/or recreational facilities;

- (o) Sales, rentals, and/or service of bicycles, mopeds, motorcycles, segways, and scooters;
- (p) Other commercial uses similar in character, nature and impact to permitted uses listed above.

SECTION 16. Section 33.4 of Division 33, CC2, Commercial Corridor Gulf Boulevard District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 33.4. - Conditional uses.

- (a) Automotive rental agencies;
- (b) Automobile services—repair;
- (c) Automotive service stations, with or without a carwash and/or a convenience store;
- (d) Commercial kitchen;
- ~~(de)~~ Communication facilities;
- ~~(ef)~~ Parking lots, commercial and/or off-premise.

SECTION 17. Section 35.3 of Division 35, (LR) Large Resort District of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 35.3. - Permitted principal and secondary uses and structures.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the LR District are as follows:

- (a) *Primary uses.*
 - (1) Temporary lodging uses, including hotels, motels, resort condominium hotels;
 - (2) Multi-family residential.
- (b) *Secondary uses.* Secondary commercial uses may be developed as an additional nonresidential use bonus floor area that is not located within the principal building, provided that the secondary commercial development is constructed with a minimum of 200 temporary lodging units. Secondary commercial uses include:
 - (1) Retail;
 - (2) Eating and drinking establishments, ~~including bars and cocktail lounges, with or without outdoor seating~~ full-service restaurant, limited-service restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;
 - (3) Indoor commercial entertainment facilities;
 - (4) Vehicles for hire.

(c) Secondary uses requiring conditional use approval. Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable secondary uses requiring conditional use approval in the LR District are as follows.

(1) Commercial kitchen;

(2) Eating and drinking establishment – take-out restaurant only.

SECTION 18. Section 37.2 of Division 37, TC-2 Town Center Corey Circle and Coquina West Districts of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 37.2. - Permitted uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses in the TC-2 Town Center Corey Circle and Coquina West Districts are as follows.

- (a) Retail uses except automotive sales lots, pawn shops, liquor stores, and tobacco shops;
- (b) Grocery stores, markets, pharmacies without drive-through service;
- (c) Personal service businesses such as barbershops, beauty shops, salons, day spas, gyms and fitness centers, tailoring, garment alteration and repair, shoe repair, dry cleaning pick-up and drop-off and other personal service uses similar in character and impact. Body art, bail-bond, check-cashing and other similar services are prohibited;
- (d) Eating and drinking establishments - ~~with or without outdoor seating~~ full-service restaurant, limited-service restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;
- (e) Office uses;
- (f) Commercial recreation, public parks and/or recreational facilities;
- (g) Government buildings and other public facilities, including parks and recreation facilities;
- (h) Artist studios and art galleries;
- (i) Multifamily residential only as a component of mixed use. Residential uses are not permitted on the ground floor;
- (j) Vehicle for hire - Limited to rental of non-motorized (bicycles) and individual motorized vehicles such as segways, mopeds/scooters;
- (k) Other uses similar in character, nature and impact to permitted uses listed above.

SECTION 19. Section 37.5 of Division 37, TC-2 Town Center Corey Circle and Coquina West Districts of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 37.5. - Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the TC-2 Town Center Corey Circle and Coquina West Districts are as follows.

- (a) Temporary lodging facilities hotel, motel and resort condominium, awarded on a first come, first serve basis, to come from the density pool established in the Comprehensive Plan.
- (b) Commercial kitchen.
- (~~b~~c) Commercial docks-Class A, B, C and D.
- (d) Eating and drinking establishment – take-out only restaurant.
- (~~e~~) Vessel for hire (water taxis).
- (~~e~~f) Cigar shops and cigar bars.

SECTION 20. Section 38.2 of Division 38, AC Activity Center District of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 38.2. - Permitted uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the AC Activity Center District are as follows.

- (a) Grocery stores, markets, pharmacies with or without drive through service;
- (b) Automotive rental agencies;
- (c) Automotive service stations;
- (d) Car wash facilities;
- (e) Clinics;
- (f) Clubs, community service;
- (g) Clubs, private;
- (h) Doctor's offices and medical clinics;
- (i) Eating and drinking establishments ~~without outdoor seating~~ – full-service restaurant, limited-service restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;
- (j) Financial institutions with or without drive-through service;
- (k) Kennels without outdoor runs;
- (l) Laundries, self-service;
- (m) Office uses;
- (n) Printing and copying services;
- (o) Retail uses;
- (p) Government buildings and other public facilities, including parks and recreation facilities;

- (q) Personal service businesses such as barbershops, beauty shops and salons, day spas, gyms and fitness centers, tailoring, garment alteration and repair, shoe repair, dry cleaning drop-off and pick-up and other personal service uses similar in character and impact;
- (r) Private, specialized instruction, such as computer training, real estate courses, self-improvement classes, career training or fitness instruction;
- (s) Social service agencies;
- (t) Veterinarians and pet grooming facilities;
- (u) Multi-family residential only as a component of retail mixed-use development;
- (v) Artist studios and art galleries;
- (w) Vehicle for hire;
- (x) Marine electronics, sales, and service; and
- (y) Other commercial uses similar in character, nature and impact to permitted uses listed above.

SECTION 21. Section 38.4 of Division 38, AC Activity Center District of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 38.4. - Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the AC Activity Center District are as follows.

- (a) Assisted living facilities;
- (b) Charter and tour boat operations;
- (c) Commercial kitchen;
- (~~e~~) Communication facilities;
- (e) Docks, commercial—Classes A, B, C, and D;
- (f) Eating and drinking establishments ~~with outdoor seating~~ — take-out only restaurant, restaurant with drive-through service;
- (g) Kennels with outdoor runs;
- (h) Parking lots, commercial and/or off-premise;
- (i) Theatres;
- (j) Vessel for hire businesses; and
- (k) Subject to the provisions or restrictions contained in this section and elsewhere in this code, temporary lodging units may be allocated from a density pool via a conditional use as follows:

40 temporary lodging uses per acre, not to exceed a total of either 50 units per project or the density pool allocated in the Comprehensive Plan (325 available units for potential use in the Town Center Core Corey Circle, Coquina West, Activity Center, and Bayou Residential Districts),, with a maximum 1.0 floor area ratio on a minimum one (1) acre buildable site. To qualify for mixed use densities

and intensities, a minimum of 10 temporary lodging units, mixed with a minimum of 0.35 floor area ratio for commercial or office uses, is required.

SECTION 22. Section 40.2 of Division 40, Community Redevelopment District – Eighth Avenue (CRD-EA) of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 40.2. - Permitted principal uses and structures.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses in the CRD-EA district are as follows:

- (a) Residential uses as a component of a vertically mixed-use development;
- (b) Temporary Lodging;
- (c) Eating and drinking establishments - ~~specialty food such as gourmet take out, catering, coffee shops, etc. and sit down restaurants~~ full-service restaurant, limited-service restaurant, subject to Sec. 6.24 of this Code as may be applicable;
- (d) Offices;
- (e) Retail sales;
- (f) Private, specialized instruction, such as computer training, real estate courses, self-improvement classes, career training or fitness instruction;
- (g) Artist studios, art galleries, and museums;
- (h) Personal service businesses such as barbershops, beauty shops, tailoring, garment alteration and repair, shoe repair, dry cleaning drop-off and pick-up and other personal service uses similar in character and impact;
- (i) Vehicle for hire—limited to rental of bicycles and individual motorized vehicles such as segways, mopeds/scooters;
- (j) On-site parking facilities;
- (k) Other uses similar in character, nature and impact to permitted uses listed above.

SECTION 23. Section 40.4 of Division 40, Community Redevelopment District – Eighth Avenue (CRD-EA) of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 40.4. - Permitted conditional uses and structures:

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the CRD-EA district are as follows:

- (a). Commercial kitchen;
- (b). Eating and drinking establishments – take-out only restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;

~~The purpose of this section is to allow for single family and two family residential uses and structures for only saving and/or moving locally designated historic structures. In no case shall a new construction single family home be allowed in the 8th Avenue CRD.~~

(a) Single-family residential, subject to the following conditions*:

- (1) The structure is eligible for local historic designation pursuant to Section 28.22 of the Land Development Code;
- (2) The applicant applies for designation of the structure as historic and the Historic Preservation Board approves the request;
- (3) The applicant applies for and is granted a certificate of appropriateness for any alterations to the exterior of the structure and moving the structure if a structure is proposed to be moved to the 8th Ave District, consistent with the Secretary of the Interior's Standards and Guidelines for Rehabilitation or Preservation of Historic Structures and Division 28 of the Land Development Code;
- (4) The applicant applies for and is granted the conditional use pursuant to Section 4.4 of the Land Development Code;

*The purpose of Section 40.4(b) of this Code is to allow for single family and two-family residential uses and structures for only saving and/or moving locally designated historic structures. In no case shall a new construction single family home be allowed in the 8th Avenue CRD.

SECTION 24. Section 46.2 of Division 46, B/HC Boutique Hotel/Condo District of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 46.2. - Permitted uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this code, permitted uses and structures in the B/HC Boutique Hotel/Condo District are as follows.

- (a) Residential uses—multifamily only.
- (b) Transient accommodations—hotel, motel and resort condominium.
- (c) Non-residential uses that are accessory and subordinate to transient accommodation uses, such as recreational facilities, ~~restaurants and bars~~ eating and drinking establishments, personal service uses, retail uses, meeting spaces/conference rooms, fitness centers, and spa facilities.

SECTION 25. Section 46.4 of Division 46, B/HC Boutique Hotel/Condo District of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 46.4. - Allowable conditional uses.

(a). Eating and drinking establishments—full-service restaurant, limited-service restaurant, take-out only restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;

(b). Subject to the provisions or restrictions contained in this section and elsewhere in this Code, additional temporary lodging units may be allocated from a density pool via a conditional use as follows:

In addition to any transient accommodation units which may be allowed on a per acre basis, there are hereby 125 total transient accommodation units for the entire Boutique Hotel/Condo district, which shall be allocated to individual projects by ordinance of the City Commission upon request of an individual property owner. Such allocation shall not exceed an additional twenty (20) units per acre, nor a total of 60 units per redevelopment project, irrespective of total project acreage.

SECTION 26. This Ordinance shall be published in accordance with the requirements of law.

SECTION 27. This Ordinance shall become effective immediately upon final passage and adoption.

PASSED ON FIRST READING _____, a.d. 2015

PASSED ON SECOND AND FINAL READING _____, a.d. 2015

Maria Lowe, MAYOR

FIRST READING: _____

PUBLISHED: _____

SECOND READING: _____

PUBLISHED: _____

I, Rebecca C. Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this _____ day of _____, 2015.

Rebecca C. Haynes, City Clerk

[Second reading](#)

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4/~~30~~15/20

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APPROVED AS TO LEGAL FORM AND CORRECTEDNESS:

City Attorney
Andrew Dickman, Esq.

[Second reading](#)

27

4/~~30~~15/20

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**St. Pete Beach City Commission
Agenda Report**

Issue Considered: Ordinance No 2015-03 – Off-Premise and Commercial Parking

Date: May 1, 2015

Prepared By: Matt McLachlan, Calvin Giordano & Assoc.

Through: Wayne Saunders, City Manager *WS*

Summary of Issue: Proposed for your consideration are City-initiated amendments to the Land Development Code providing for the definition, categorization, and use permissions of off-premise and commercial parking lots and parking structures within the four character districts that comprise the Gulf Boulevard Redevelopment District (GBRD).

The ordinance proposes to amend the City's general parking requirements to allow turf block to be used as a parking space surface for both required and non-required parking spaces; establish that off-street parking spaces are to be reserved for the exclusive use of residents, customers, patrons, or employees of the principal use of the property they are designed and intended to serve except as may be allowed in connection with a special event; establish revised locational criteria for required off-street parking; limit non-required, supplemental surface parking within the GBRD to a time period not to exceed five years from the date the conditional use permit is originally approved by the City Commission and any commercial parking lot within the Bayou Residential character district to a maximum time limit of two years. Further, the ordinance expands the range and use of pervious and semi-pervious parking materials and associated criteria.

The Ordinance would allow commercial properties located in the Downtown Redevelopment District to change in use without providing additional required parking unless there is an increase in the floor area of an existing building or construction of additional buildings (this exemption currently applies only to commercially zoned properties abutting Corey Avenue, east of Gulf Boulevard). Moreover, the Ordinance provides the option for the payment of a fee in-lieu of required on-site parking that would allow a property owner to "buy

down” required on-site parking space(s) associated with any expansion project by paying a set fee to the City (to be determined and established by Resolution) for the provision and maintenance of municipal parking facilities within the Downtown Redevelopment District.

The Ordinance would also eliminate the parking criteria for 51st street due to safety considerations along the roadway.

On the direction of the City Commission at the 4/14/2015 workshop, the Ordinance was amended to include parking lots within an institutional zoning district. The Ordinance was intended for first reading on 4/14/2015 as well but was tabled until the April 28th Commission meeting, as the Ordinance was linked to others.

The Planning Board considered the draft Ordinance during workshops held on November 17, 2014 and December 16, 2014 and a public hearing was held on January 20, 2015. The Planning Board unanimously voted in favor of the proposed ordinance.

The Ordinance was heard for first reading by the City Commission on April 28th and unanimously approved to move to second reading on May 12th.

Requested Motion: I move to approve Ordinance No. 2015-03 on second reading

Attachment: Ordinance No. 2015-03

ORDINANCE 2015-03

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF ST PETE BEACH, FLORIDA, AMENDING THE CITY OF ST PETE BEACH LAND DEVELOPMENT CODE BY AMENDING SECTION 2.1 OF DIVISION 2, DEFINITIONS, TO DEFINE PARKING LOT (OFF-PREMISE), PARKING STRUCTURE (OFF-PREMISE), PARKING LOT (COMMERCIAL) AND PARKING STRUCTURE (COMMERCIAL); AMENDING SECTIONS 23.4, 23.5, 23.7 AND 23.8 OF DIVISION 23, GENERAL PARKING LOTS, RELATED TO THE LOCATION, DESIGN, IMPROVEMENT, USE, AND NUMBER OF REQUIRED AND NON-REQUIRED PARKING SPACES; ADDING SECTION 23.14 TO PROVIDE FOR A FEE IN-LIEU OF REQUIRED ON-SITE PARKING ON PROPERTIES LOCATED WITHIN THE DOWNTOWN REDEVELOPMENT DISTRICT; AMENDING SECTION 35.3 OF DIVISION 35, (LR) LARGE RESORT DISTRICT TO ESTABLISH OFF-PREMISE PARKING LOT AND/OR STRUCTURE AND COMMERCIAL PARKING STRUCTURE AS AUTHORIZED CONDITIONAL USES; AMENDING SECTION 38.4 OF DIVISION 38, (AC) ACTIVITY CENTER TO DELETE COMMERCIAL PARKING LOT AND REPLACE WITH COMMERCIAL PARKING STRUCTURE AND ADD OFF-PREMISE PARKING STRUCTURE AS AUTHORIZED CONDITIONAL USES; AMENDING SECTION 42.4 OF DIVISION 42 (BR) BAYOU RESIDENTIAL DISTRICT TO ESTABLISH OFF PREMISE PARKING LOT AND COMMERCIAL PARKING LOT AS ALLOWABLE CONDITIONAL USES; AMENDING SECTION 46.4 OF DIVISION 46 (B/HC) BOUTIQUE HOTEL/CONDO DISTRICT TO ESTABLISH OFF PREMISE PARKING LOT AS AN ALLOWABLE CONDITIONAL USE; AMENDING CHAPTER 82, ARTICLE III, "STOPPING, STANDING AND PARKING" OF THE CITY OF ST PETE BEACH CODE OF ORDINANCES, SECTION 137; AMENDING SECTION 17.3 OF DIVISION 17 (INS) INSTITUTIONAL DISTRICT TO ESTABLISH COMMERCIAL PARKING LOT AS AN ALLOWABLE CONDITIONAL USE PROVIDING FOR PUBLICATION IN ACCORDANCE WITH THE REQUIREMENTS OF LAW; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 163.3202, Florida Statutes, requires each local government in the State of Florida to adopt or amend and enforce land development code regulations that are consistent with and implement the adopted Comprehensive Plan; and

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WHEREAS, the City of St. Pete Beach has previously adopted a land development code; and

WHEREAS, periodic updates and clarifications are necessary for successful implementation of a land development code.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST PETE BEACH, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED THAT:

SECTION 1. Section 2.1 of Division 2, Definitions, of the City of St. Pete Beach Land Development Code is hereby amended to provide as follows:

Parking lot (off-premise) means ~~a parking facility designed to serve a specific other use but which cannot be located on the same lot with the use it serves~~ an off-street parking lot that is not on the same property as the principal use it is designed and intended to serve.

Parking structure (off-premise) means a structured parking facility with two or more levels that is not on the same property as the principal use it is designed and intended to serve.

Parking lot (commercial) means ~~premises designed and used exclusively for the parking of vehicles for a fee~~ an off-street parking lot that is not affiliated with a specific other use that provides parking, in whole or majority part, as a commercial enterprise, for a fee on a first come-first-served basis by hourly or monthly contract.

Parking structure (commercial) means a structured parking facility with two or more levels that is not affiliated with a specific other use that provides parking, in whole or majority part, as a commercial enterprise, for a fee on a first come-first-served basis by hourly or monthly contract.

SECTION 2. Section 23.4 of Division 23, General Parking Requirements, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 23.4. General parking requirements.

All off-street parking shall be provided in accordance with the following general requirements:

- (a) No building or use shall be permitted or constructed unless off-street parking spaces are provided in accordance with the provisions of this Code.
- (b) Computation of required spaces.
 - (1) Fractional space requirements shall be rounded up to the next whole space.

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- (2) In houses of worship and other places of public assembly in which occupants utilize benches, pews or similar seating arrangements, each 18 linear inches of such seating facilities shall be counted as one seat for the purpose of determining the required number of parking spaces.
- (3) In multistory buildings having vertical penetrations including, but not limited to, elevator, mechanical closets, air shafts, stairways and other similar penetrations, and large retail establishments in excess of 5,000 square feet in area having "backroom" storage or working space, may deduct these spaces from the gross square footage in calculating parking space needs.
- (4) In the case of mixed uses, the total requirements for off-street parking shall be the sum of the requirements of the various uses computed separately and the off-street parking space for one use shall not be considered as providing the required off-street parking for any other use, except as provided for in the shared parking criteria in this division.
- (c) Off-street parking areas shall not be used for sales, dead storage, repair, dismantling or servicing of any type or kind, nor shall areas devoted to such activities count toward meeting off-street parking requirements.
- (d) Off-street parking areas for five or more automobiles shall have individual spaces that are designed, maintained and regulated so that no parking or maneuvering incidental to parking shall be on any public street or sidewalk and so that any automobile may be parked and unparked without moving another automobile.
- (e) Except as provided in section 23.7, all off street parking areas shall be surfaced with asphalt, bituminous or concrete material, clay brick or concrete paving units, and maintained in a smooth, well-graded condition; provided, however, turf block may be used for the parking space surface.
- (f) If artificially lighted, such lighting shall be so designed and arranged that light is directed away from any adjoining property used or zoned for residential purposes and so designed and arranged as to shield public roadways and all other adjacent properties from direct glare or hazardous interference of any kind.
- (g) Be arranged for the convenient access and safety of pedestrians and vehicles.
- (h) Be so arranged that no vehicle shall be required to back from such facilities directly onto public streets.
- (i) Have curbs, motor vehicle stops or similar devices so as to prevent vehicles from overhanging on or into public rights-of-way or adjacent property.
- (k) Off-street parking spaces shall be reserved for the exclusive use of residents, customers, patrons, or employees of the principal use of the property they are designed and intended to serve; provided, however, the City may authorize such parking on non-residentially zoned properties to be used on a temporary basis by the general public in connection with a special event approved by the City under Article II of

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Chapter 26 of the City of St. Pete Beach Code of Ordinances during those times the principal use of the property is not operating.

(l) Required off-street parking shall be located as follows:

(1) On the same or contiguous property of the use the parking is intended to serve;

(2) On non-contiguous property which has the same zoning classification or a zoning classification which allows the use as permitted or conditional, as the use the parking is intended to serve, provided:

- a. the off premise parking is within eight hundred (800) feet of the principal use to be served, to be measured along the most direct pedestrian route; except for a restaurant, hotel, or theater use that operates and maintains a valet parking service for customers, for which the off premise parking may be located within one thousand (1,000) feet from the principal use it is intended to serve, to be measured along the most direct pedestrian route.
- b. An identifiable pedestrian connection is provided between the off-premise parking area and the principal use it is intended to serve. The pedestrian connection shall require no crossing of a collector or arterial street, except at a signalized intersection.
- c. A parking agreement in a form approved by the City Attorney is recorded with the Clerk of the Circuit Court of Pinellas County, Florida, at the owner's expense providing that the off-premise parking area will not be disposed of except in conjunction with the sale or use of the building the parking area serves so long as the parking is required.

(m) Non-required, supplemental surface parking associated with an off-premise parking lot within the Gulf Boulevard Redevelopment District shall be limited to a time period not to exceed five years from the date the conditional use permit is originally approved by the City Commission.

(n) Conditional use approval for a commercial parking lot in the Bayou Residential Character District shall be limited to two years from the date the conditional use permit is originally approved by the City Commission.

(o) Notwithstanding any other provisions or restrictions contained in this Code, all parking lots, that have been permitted in accordance with this Code and in place at the time of adoption of this Ordinance, are considered vested until such time as the owner of the lot chooses to expand or change use of the property.

SECTION 3. Section 23.5 of Division 23, Number of parking spaces required, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 23.5. - Number of parking spaces required.

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Regardless of any other requirement of these regulations, each and every separate or individual store, office, or other business shall be provided with at least one off-street parking space, excluding required handicap parking, unless specific provision to the contrary is made herein.

The following minimum off-street parking requirements are applicable to all districts except as otherwise provided herein:

Use	Parking Requirement (spaces)
Automobile Service Station	1 space per bay plus 3 spaces
Any form of residential	2 per unit
Bar, Nightclub	1 per 50 SF floor area
Bed and Breakfast	1 space per guest room plus 1 space for owner or operator
Convenience Store	1 per 200 SF floor area
Grocery Store	1 per 100 SF floor area
Legitimate Theatre	1 per 3 seats
Marina or Commercial Docks	
Boat slips/live aboard	1.0 per boat slip
High and dry slips	1.0 per 4 boat slips or fraction thereof
Boat slips/non-live aboard	1.0 per 4 boat slips or fraction thereof
Office	1 per 300 SF floor area
Place of Worship	1 per 3 seats in auditorium or chapel area
Restaurant	1 per 100 SF floor area
Retail Sales and Service	1 per 200 SF floor area

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Schools	3 spaces per 1,000 square feet of floor area, plus one for each teacher
Theater, Movie	1 per 3 seats
Transient Accommodations	1 per transient accommodation unit, plus 1 additional per 10 transient accommodation units, plus additional parking for accessory facilities in accordance with the following:
Office space	1 per 300 SF floor area
Retail and restaurant space	1 per 200 SF floor area
Ballrooms, lobby area, conference and meeting rooms, and fitness facilities	1 per 1,000 SF floor area
Vehicle Rental	1 per 200 SF floor area, must be marked as customer spaces plus one for each rental vehicle

- (a) In instances of new construction or facility expansion involving the establishment of ~~outdoor seating areas or other~~ accessory or supplemental uses, the number of required parking spaces shall be increased in accordance with the above table such that parking is adequate to accommodate the entire area of ~~seating or use~~, both internal and external to the structure; provided, however, outdoor dining or outdoor drinking areas shall not be required to provide additional parking when the outdoor dining or outdoor drinking area is less than 500 square feet or is located on a private sand beach affiliated with a temporary lodging establishment. Any portion of the outdoor dining or outdoor drinking area greater than 500 square feet not located on a private sand beach affiliated with a temporary lodging establishment shall be included as gross floor area for the purposes of calculating off-street parking requirements at the rate set forth in the above table or as otherwise provided by this Code.
- (b) Parking spaces that are in excess of the number of spaces required by this division shall be constructed as grass parking, turf block or in a parking structure.
- (c) Where a project is intended to be developed in phases, the city manager may approve the development of a parking area intended to serve each phase as it is developed.

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- (d) All retail projects shall be required to provide a minimum of five bicycle rack spaces, or a number of bicycle rack spaces equal to ten percent of the required number of vehicle parking spaces, whichever is greater.
- (e) For properties zoned CRD-EA, permitted non-residential and transient accommodation uses are exempt from the minimum parking standards above. Residential uses shall provide the required off-street parking in the table above.
- (f) For ~~commercially zoned properties abutting Corey Avenue east of Gulf Boulevard located in the Downtown Redevelopment District~~, additional parking shall be required for a change of use only if there is an increase in the floor area of an existing building or construction of additional buildings upon a determination by the City that there is inadequate space to increase on-site parking in accordance with City requirements.

SECTION 4. Section 23.7 of Division 23, Grass and Turf Block Parking, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 23.7. ~~Grass and turf block~~ Pervious and Semi-pervious parking.

~~(a) Grass parking. Grass parking is allowed in the following instances:~~

- ~~(1) For any land use where excess parking is provided, that portion of parking which exceeds required parking may be grass in any zoning district.~~
- ~~(2) For houses of worship, up to 50 percent of required off-street parking facilities and any parking provided in excess of required number of spaces.~~
- ~~(3) For parks and recreation facilities in a R/OS District.~~
- ~~(4) For public and private schools offering academic courses.~~
- ~~(5) For child care and family day care facilities, private clubs, and assisted living facilities, up to 30 percent of their required parking facilities.~~

(a) Pervious/semi-pervious parking. Drought tolerant sod, shell, gravel or other similar pervious or semi-pervious surfaces that do not cause erosion, barriers to pedestrian access, or adverse effects to abutting parcels may be approved under the site plan provisions of Division 5 of this Code for parking facilities that meet one of the following criteria:

- (1) An off-premise or commercial parking lot in the Gulf Boulevard Redevelopment District for which a conditional use permit has been issued.
- (2) Non-required (excess) parking on the same premise as the use it is intended to serve.
- (3) Required parking in accordance with the following provisions:
 - a. For houses of worship, up to 50 percent of required off-street parking facilities.
 - b. For parks and recreation facilities in a Recreation/Open Space (R/OS) District all required parking except for parking required under Section 23.6 of this Code.

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- c. For public and private schools, child care and family day care facilities, private clubs, and assisted living facilities, up to 30 percent of their required parking facilities.
- (b) ~~Turf block.~~ When off street parking facilities surfaced with turf grid systems [turf block] are permitted for either required parking or excess parking or both, the parking facilities shall be constructed in accordance with the following:
 - (1) ~~Access aisles shall be surfaced with asphalt, concrete material, clay brick or concrete paving units.~~
 - (2) ~~Parking areas shall be maintained such that the grass does not constitute a nuisance by virtue of its appearance or condition and is graded in a level condition. Access aisles shall be maintained in accordance with [section 23.10](#)~~
 - (3) ~~Comply with the drainage requirements for storm water runoff set forth in Chapter 106, St. Pete Beach Code of Ordinances.~~
 - (4) ~~Comply in all other respects with the requirements of this Code.~~

SECTION 5. Section 23.8 of Division 23, Off-Street Parking and Loading, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 23.8. Off-site parking, when allowable. (Reserved)

- (a) ~~Required off street parking facilities shall be located on the same lot as the use they are intended to serve. However, required off street parking facilities may be located on an off-site lot if approved under the provisions of [division 5](#) of this Code at a public hearing. Such off site parking facilities, if approved, shall be within 300 feet of the premises they are intended to serve and an off site parking agreement meeting the requirements of the city attorney shall be required. The applicant for an off site parking agreement shall demonstrate to the satisfaction of the appropriate board of authority:~~
 - (1) ~~Practical difficulties prevent the location of the parking facilities on the same lot; and~~
 - (2) ~~A safe pedestrian route exists, or will be provided, for the safety of pedestrians traveling between the premises and the off site parking facilities.~~
- (b) ~~Parking agreements in a form acceptable to the city attorney shall provide:~~
 - (1) ~~The land comprising the parking facilities shall not be disposed of except in conjunction with the sale of the premises which the parking area serves, so long as the facilities are required;~~
 - (2) ~~The owner(s) agrees to bear the expense of recording the agreement and agrees that the agreement shall bind their heirs, successors and assigns; and~~

- ~~(3) The owner(s) shall agree to be responsible for the cost of any required pedestrian safety devices or improvements. The written agreement shall be voided by the city if other off street facilities are provided in accord with these regulations.~~

SECTION 6. Division 23, Off-Street Parking and Loading, of the City of St. Pete Beach Land Development Code is hereby amended to add the following section:

Sec. 23.14. Fee in-lieu of required on-site parking.

- (a) The amount of any on-site parking required under Sec. 23.5 of this Code for development in the Downtown Redevelopment District may be reduced by the payment of the fee as established by resolution of the City Commission.
- (b) Any money collected by the City under this Section may be used only for the purchase of land for, or the construction, maintenance, or operation of on-or off-street municipal parking facilities created by this fund, and any other costs associated with the provision of municipal parking in the Downtown Redevelopment District.

SECTION 7. Section 35.3 of Division 35, (LR) Large Resort District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 35.3. Permitted principal and secondary uses and structures.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, permitted uses and structures in the LR District are as follows:

- (a) *Primary uses.*
- (1) Temporary lodging uses, including hotels, motels, resort condominium hotels;
 - (2) Multi-family residential.
- (b) *Secondary uses.* Secondary commercial uses may be developed as an additional nonresidential use bonus floor area that is not located within the principal building, provided that the secondary commercial development is constructed with a minimum of 200 temporary lodging units. Secondary commercial uses include:
- (1) Retail;
 - (2) Eating and drinking establishments – full-service restaurant, limited-service restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;
 - (3) Indoor commercial entertainment facilities;
 - (4) Vehicles for hire.
- (c) *Secondary uses requiring conditional use approval.* Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable secondary uses requiring conditional use approval in the LR District are as follows:

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- (1) Commercial kitchen;
- (2) Eating and drinking establishment – take-out restaurant only;
- (3) Off-premise parking lot and/or structure;
- (4) Commercial parking structure.

SECTION 8. Section 38.4 of Division 38, (AC) Activity Center District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 38.4. Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the AC Activity Center District are as follows.

- (a) Assisted living facilities;
- (b) Charter and tour boat operations;
- (c) Commercial kitchen;
- (d) Communication facilities;
- (e) Docks, commercial—Classes A, B, C, and D;
- (f) Eating and drinking establishments – take-out only restaurant, restaurant with drive-through service;
- (g) Kennels with outdoor runs;
- (h) ~~Parking lots, commercial and/or off-premise~~ Off-premise parking lot and/or structure;
- (i) Commercial parking structure;
- (j) Theatres;
- (k) Vessel for hire businesses; and
- (l) Subject to the provisions or restrictions contained in this section and elsewhere in this code, temporary lodging units may be allocated from a density pool via a conditional use as follows:

40 temporary lodging uses per acre, not to exceed a total of either 50 units per project or the density pool allocated in the Comprehensive Plan (325 available units for potential use in the Town Center Core Corey Circle, Coquina West, Activity Center, and Bayou Residential Districts)., with a maximum 1.0 floor area ratio on a minimum one (1) acre buildable site. To qualify for mixed use densities and intensities, a minimum of 10 temporary lodging units, mixed with a minimum of 0.35 floor area ratio for commercial or office uses, is required.

SECTION 9. Section 42.4 of Division 42, (BR) Bayou Residential District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 42.4. Allowable conditional uses

Subject to the provisions or restrictions contained in this section and elsewhere in this code, allowable conditional uses in the Bayou Residential District are as follows.

- (a). Residential docks
- (b). Docks, commercial—Class A
- (c). Docks, commercial: Class B
- (d). Temporary Lodging with or without a commercial component, awarded on a first come, first serve basis, to come from the density pool established in the Comprehensive Plan (325 available units for potential use in the Town Center Core Corey Circle, Coquina West, Activity Center, and Bayou Residential Districts).
- (e). Off-premise parking lot.
- (f). Commercial parking lot.

SECTION 10. Section 46.4 of Division 46, (B/HC) Boutique Hotel/Condo District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 46.4. Allowable conditional uses.

- (a) Eating and drinking establishments – full-service restaurant, limited service restaurant, take-out only restaurant, bar/lounge, subject to Sec. 6.24 of this Code as may be applicable;

(b) Off-premise parking lot;

- ~~(b)~~ (c) Subject to the provisions or restrictions contained in this section and elsewhere in this Code, additional temporary lodging units may be allocated from a density pool via a conditional use as follows:

In addition to any transient accommodation units which may be allowed on a per acre basis, there are hereby 125 total transient accommodation units for the entire Boutique Hotel/Condo district, which shall be allocated to individual projects by ordinance of the City Commission upon request of an individual property owner. Such allocation shall not exceed an additional twenty (20) units per acre, nor a total of 60 units per redevelopment project, irrespective of total project acreage.

SECTION 11. Article III, Section 137 of Chapter 82, Posted Restricted Parking Zones, of the City of St. Pete Beach Code of Ordinances is amended to provide as follows:

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Sec. 82-137. - Posted restricted parking zones.

- (a) The following city streets shall require a "D" permit for parking from 9:00 a.m. to 5:00 p.m. everyday on one side of the street, as designated on the city parking maps:

1st Avenue between Gulf Way and Pass A Grille Way;

12th Avenue thru 14th Avenue between Gulf Way and Pass A Grille Way;

17th Avenue thru 20th Avenue between Gulf way and Pass A Grille Way;

22nd Avenue between Gulf Way and Pass A Grille Way;

25th Avenue between Sunset Way and Pass A Grille Way;

27th Avenue thru 30th Avenue between Sunset way and Pass A Grille Way;

37th Avenue between Gulf Blvd. and El Centro;

Sunset Way between 23rd Avenue and 24th Avenue;

Sunset Way between 28th Avenue and 30th Avenue;

1st Avenue West between 31st Avenue and 32nd Avenue;

32nd Avenue between Sunset Way and the beach;

Casablanca Avenue at Cabrillo Avenue;

West Maritana Drive between Alahambra Street and South Maritana Drive;

South Maritana Drive between West Maritana Drive and Granada Street;

Alahambra Street between West Maritana and West Debazan Avenue;

West Debazen Avenue between East Debazen and South Maritana;

Debazen Avenue between Casablanca and Alahambra Street;

East Debazen between Alahambra Street and South Debazen Avenue;

Alfanzo Street between West Maritana Drive and West Debazen Avenue;

Granada Street between East Debazen Avenue and East Maritana Drive;

Barcelona Street between Debazen Avenue and East Maritana Drive;

Beach Plaza between 70th Avenue and 71st Avenue; and

Pass-A-Grille Way between 7th Avenue and 3rd Avenue;

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18 parking spaces on the west side of Beach Plaza between 70th Avenue and 71st Avenue.

- (b) The following city streets shall require a "D" permit for parking from 9:00 a.m. to 5:00 p.m. everyday on each side of the street, as designated on the city parking maps:

2nd Avenue to 5th Avenue;

Sunset Way between 24th Avenue and 25th Avenue;

Sunset Way between 22nd Avenue and 23rd Avenue;

32nd Avenue between 1st Street West and the beach; and

One parking space on the west side of Casablanca Avenue at Cabrillo Avenue.

- (c) The following city streets shall require a "D" permit for parking at any time everyday on one side of the street, as designated on the city parking maps:

11th Avenue between Gulf Way and Pass-A-Grille Way;

21st Avenue between Gulf Way and Pass-A-Grille Way;

23rd Avenue between Sunset Way and Pass-A-Grille Way; and

4 parking spaces on the south side of West Maritana Drive east of Casablanca Avenue;

36th Avenue between Gulf Boulevard and East Maritana Drive;

Casablanca Avenue between 37th Avenue and Pinellas Bayway;

East Maritana Drive between 37th Avenue and Pinellas Bayway.

- (d) The following city streets shall require a "D" permit for parking at any time everyday on each side of the street, as designated on the city parking maps:

6th Avenue between Gulf Way and Pass-A-Grille Way; and

7th Avenue between Gulf Way and Pass-A-Grille Way.

- (e) The following city streets shall require a "B" permit for parking at any time everyday on each side of the street, as designated on the city parking maps:

42nd Avenue between Belle Vista Drive and Poinsettia Drive; and

43rd Avenue between Belle Vista Drive and Moody Street.

- (f) The following city streets shall require a "B" permit for parking from 9:00 a.m. to 5:00 p.m. everyday on one side of the street, as designated on the city parking maps:

18 parking spaces on the west side of Beach Plaza between 70th Avenue and 71st Avenue.

- (g) The following city streets shall require an "E" permit for parking from 9:00 a.m. to 5:00 p.m. everyday on one side of the street, as designated on the city parking maps:

67th Avenue between Beach Plaza and Sunset Way; and

18 parking spaces on the west side of Beach Plaza between 70th Avenue and 71st Avenue.

- (h) The following city streets shall require an "E" permit for parking from 9:00 a.m. to 5:00 p.m. everyday on each side of the street, as designated on the city parking maps:

68th Avenue to 70th Avenue between Beach Plaza and Sunset Way.

- (i) Parking in the locations designated on the following city streets shall be limited to thirty (30) minutes, as designated on the city parking maps:

3 parking spaces on the west side Pass-A-Grille Way south from 9th Avenue;

3 parking spaces on the north side of 10th Avenue west from Pass-A-Grille Way;

1 parking space on the east side of the 800 block of Gulf Way;

1 parking space on the east side of 1300 block of Gulf Way;

1 parking space on the south side of 26th Avenue west of Pass-A-Grille Way;

3 parking spaces on the north side of 32nd Avenue west of Pass-A-Grille Way; and the north side of the Don Vista Center.

- ~~(j) Parking on one side of the following city street shall be limited to two (2) hours, between the hours of 8:00 a.m. and 6:00 p.m. everyday, as designated on the city parking maps:~~

~~The north side of 51st Avenue between Gulf Boulevard and the end of the street.~~

- ~~(k)~~ (j) Parking on each side of the following city street shall be limited to two (2) hours, between the hours of 8:00 a.m. and 6:00 p.m. everyday, as designated on the city parking maps:

8th Avenue between Gulf Way and Pass-A-Grille Way. Vehicles displaying a valid "D" Permit are exempt from the limit of two hours.

- ~~(l)~~ (k) Parking in the main Don Vista Center parking lot shall be prohibited unless an event is scheduled by the City at the Don Vista Center.

- ~~(m)~~ (l) Parking on the west side of Gulf Way between 9th Avenue and 10th Avenue shall be limited to employees of the public concession stand at the beach.

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(~~am~~) Parking on one side of the following city streets shall be prohibited at any time, as designated on the city parking maps:

1st Avenue between Gulf Way and Pass-A-Grille Way;

10th Avenue to 22nd Avenue between Gulf Way and Pass-A-Grille Way;

23rd Avenue to 30th Avenue between Sunset Way and Pass-A-Grille Way;

32nd Avenue between 1st Street West and Pass-A-Grille Way;

El Centro at the Don Vista Center;

West Maritana Drive between Alahambra Street and South Maritana Drive;

South Maritana Drive between West Maritana Drive and Granada Street;

Alahambra Street between West Maritana and West Debazen Avenue;

West Debazen Avenue between East Debazen and South Maritana;

Debazen Avenue between Casablanca and Alahambra Street;

East Debazen between Alahambra Street and South Debazen Avenue;

Alfonzo Street between West Maritana Drive and West Debazen Avenue;

Granada Street between East Debazen Avenue and East Maritana Drive;

Barcelona Street between Debazen Avenue and East Maritana Drive;

Casablanca Avenue between 37th Avenue and Pinellas Bayway;

East Maritana Drive between 37th Avenue and Pinellas Bayway;

Belle Vista Drive between 41st Avenue and Belle Vista Drive East;

Lido Drive between 1st Street East and Plaza Way;

36th Avenue between El Centro and East Maritana Drive;

41st Avenue between Belle Vista Drive and Poinsettia Drive;

46th Avenue between Gulf Boulevard and the east end of Lido Park;

49th Avenue;

51st Avenue between Gulf Boulevard and the beach;

51st Avenue between Gulf Boulevard and the east end;

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55th Avenue between Aloha Drive and Leilani Drive;
 Boca Ciega Isle Drive at the entrance;
 58th Avenue between Gulf Boulevard and 2nd Street East;
 64th Avenue between Gulf Winds Drive and 430 64th Avenue;
 Gulf Winds Drive between 2nd St. East and 71st Avenue;
 64th Avenue to 73rd Avenue between Sunset Way and Gulf Boulevard;
 Sunset Way between 23rd Avenue and 24th Avenue;
 Sunset Way between 25th Avenue and 26th Avenue;
 Sunset Way between 29th Avenue and 30th Avenue;
 Sunset Way between 64th Avenue and 67th Avenue;
 1st Street West between 31st Avenue and 32nd Avenue;
 Casablanca Avenue between 37th Avenue and Cabrillo Avenue;
 78th Avenue to 87th Avenue between Blind Pass Road and Boca Ciega Drive; and
 Corey Circle.

(en) Parking on each side of the following city streets shall be prohibited at any time, as designated on the city parking maps:

Pass-A-Grille Way between 13th Avenue and 32nd Avenue;
 14th Avenue to 20th Avenue between Pass-A-Grille Way and the east end;
 30th Avenue between Sunset Way and the beach;
 31st Avenue between Sunset Way and Pass-A-Grille Way;
 2nd Street West;
 Cabrillo Avenue;
 West Maritana Drive between Casablanca Avenue and Alahambra Street;
 Belle Vista Drive between 44th Avenue and 41st Avenue;
 37th Avenue between Gulf Blvd. and east Maritana;
 44th Avenue between Gulf Boulevard and Moody Street;
 45th Avenue between Gulf Boulevard and 2nd Street East;

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Punta Vista Drive;

Boca Ciega Isle Drive between Plaza Way and 520 Boca Ciega Isle Drive;

52nd Avenue between Gulf Boulevard and the beach;

55th Avenue between Gulf Boulevard and Aloha Drive;

Aloha Drive;

59th Avenue between Gulf Boulevard and Bimini Way;

Gulf Winds Drive between 2nd St. East and Gulf Blvd.;

64th Avenue between 1st Palm Point Street and 425 64th Avenue;

64th Avenue between Gulf Blvd. and Gulf Winds Drive;

67th Avenue between Gulf Blvd. and Gulf Winds Drive;

Sunset Way between 70th Avenue and 71st Avenue;

1st Street East between Lido Drive and 45th Avenue;

2nd St. East between Lido Drive and 45th Avenue;

2nd St. East between 60th Avenue and Gulf Winds Drive.

(p) Parking on one side of the following city streets shall be limited to the time for which payment of the parking fee has been made, between the hours of 8:00 a.m. and 8:00 p.m. everyday, as designated on the city parking maps:

Pass-A-Grille Way between 1st Avenue and 7th Avenue;

Casablanca Avenue between Pinellas Bayway and Cabrillo Avenue;

51st Avenue between Gulf Boulevard and the beach;

67th Avenue between Beach Plaza and Sunset Way;

Sunset Way between 68th Avenue and 70th Avenue;

Gulf Winds Drive between 64th Avenue and 2nd St. East;

64th Avenue between Gulf Blvd. and Sunset Way;

Sunset Way between 64th Avenue and 66th Avenue;

66th Avenue between Gulf Blvd. and Sunset Way.

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- (~~ep~~) Parking on each side of the following city streets shall be limited to the time for which payment of the parking fee has been made, between the hours of 8:00 a.m. and 8:00 p.m. everyday, as designated on the city parking maps:

Gulf Way;

Pass-A-Grille Way between 7th Avenue and 12th Avenue unless otherwise posted;
and

Beach Plaza between 67th Avenue and 70th Avenue.

- (~~eq~~) Parking on the north side of 10th Avenue between Gulf Way and Pass-A-Grille Way shall require a "D" permit for parking at any time everyday, or shall be limited to patrons of the museum, unless otherwise posted, as designated on the city parking maps.

- (~~sr~~) Parking on the following city streets and parking lots shall be limited as hereafter designated, as shown on the city parking maps:

Lazarillo Park—Parking shall be for park users only;

Lido Park—45th Avenue Lot—Parking shall be for park users only;

Lido Park—46th Avenue Lot—Parking shall be for park users only, with the exception of four parking spaces designated "B" Permit Required from 9:00 a.m. to 5:00 p.m.;

Don Boat Ramp—"D" Permit or "B" Permit required with attached boat trailer, or any vehicle with attached boat trailer subject to payment of designated parking fee from 8:00 a.m. to 8:00 p.m.;

County Park—Parking is subject to payment of designated parking fee at any time;

44th Avenue Parking Lot—Five parking spaces designated "B", "D", or "E" Permit required; Two parking spaces designated "B" Permit Required "3" hour limit; One parking space designated "3" hour limit.

Ron McKenney Park—Parking shall be for park users only;

Sunset Park—"B" Permit required from 9:00 a.m. to 5:00 p.m. on the waterfront side;

Egan Park/Captiva Circle

North side: No parking

East side: Two waterfront parking spaces designated "Car parking only 24 hour limit"; 16 waterfront parking spaces designated "Vehicle with attached boat trailer only" and subject to payment of designated parking fee at anytime. Parking fee and vehicle with boat trailer attached restriction waived during adult softball games for the six southernmost waterfront spaces.

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South Side—East end of Captiva Circle: Four parking spaces designated "No vehicle with boat trailer attached parking at anytime." South Side of Captiva Circle—Designated "No Parking Anytime."

Egan Park gravel parking lot—"B" permit required for Vehicle with attached boat trailer."

Don Vista Parking Lot

South side: Don Vista parking only, and

North side: 15 spaces, Don Vista parking only.

- (~~ts~~) Parking in the locations designated on the following city streets shall be limited to 15 minutes, as designated on the city parking maps:

Corey Avenue parking spaces directly in front of the Post Office.

- (~~ht~~) The following city streets shall require a "B" permit for parking from 9:00 a.m. to 5:00 p.m. Saturdays, Sundays and holidays on one side of the street, as designated on the city parking maps:

Gulf Winds Drive between 64th Avenue and Bay St;

64th Avenue between Gulf Winds Drive and First Palm Point.

- (~~vu~~) The following city streets shall require a "B" permit for parking from 9:00 a.m. to 9:00 p.m. Saturdays, Sundays and holidays on each side of the street, as designated on the city parking maps:

64th Avenue between 425 64th Avenue and the east end of 64th Avenue;

67th Avenue between Gulf Winds Drive and Bay St;

Bay St. between Gulf Winds Drive and 64th Avenue;

First through Fourth Palm Points Streets.

SECTION 12. Section 17.3 of Division 17, (INS) Institutional District, of the City of St. Pete Beach Land Development Code is amended to provide as follows:

Sec. 17.3. Allowable conditional uses.

Subject to the provisions or restrictions contained in this section and elsewhere in this Code, allowable conditional uses in the INS Institutional District are as follows:

- (a) Places of worship with 100 seats or more in the main sanctuary.
- (b) Residential structures as an ancillary use to the institution.
- (c) Commercial docks – Classes B and C only.
- (d) Clubs, private and community service.
- (e) ~~(d)~~ Schools, public, private or charter.
- (f) Social service agencies.
- (g) Parking lots, commercial and or off-premise.

SECTION 12. This Ordinance shall be published in accordance with the requirements of law.

SECTION 13. This Ordinance shall become effective immediately upon final passage and adoption.

PASSED ON FIRST READING _____, a.d. 2015

PASSED ON SECOND AND FINAL READING _____, a.d. 2015

Maria Lowe, MAYOR

FIRST READING: _____

PUBLISHED: _____

SECOND READING: _____

PUBLISHED: _____

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I, Rebecca C. Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this _____ day of _____, 2015.

Rebecca C. Haynes, City Clerk

APPROVED AS TO LEGAL FORM AND CORRECTEDNESS:

City Attorney
Andrew Dickman, Esq.

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**St. Pete Beach City Commission
Agenda Report**

ISSUE CONSIDERED: Final Reading: Ordinance 2015-08 authorizing the issuance of a bond not to exceed \$13,000,000 in aggregate principal amount for acquiring, constructing and equipping various capital improvements.

DATE: May 12, 2015

PREPARED BY: Elaine Edmunds, Administrative Services Director

SUMMARY OF ISSUE: Ordinance 2015-08 provides authorization to issue an up to thirty year Capital Improvement Revenue Bond, Series 2015 for a not-to-exceed \$13,000,000.

The proceeds of this bond issue will be used to fund various capital improvements including, but not limited to:

- Roadway improvements on Blind Pass Road
- Roadway improvements on Pass-A-Grille Way
- Library Project, and
- Other capital projects approved by City Commission

The publicly offered bond issue's debt service payments will be secured by the City's non ad valorem revenues including the State One-Half Sales Tax, Guaranteed Entitlement Revenues, Public Service Tax and Franchise Fee revenues ("Pledged Revenues"). Neither the City's ad valorem/property tax revenues nor the City's enterprise system revenues will be pledged.

REQUESTED MOTION: "I move to approve Ordinance 2015-08, (read title)..."

ATTACHMENTS: Ordinance 2015-08

**REVIEWED BY
CITY MANAGER:** WS

ATTACHMENTS: Ordinance 2015-08

ORDINANCE NO. 2015-08

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$13,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CAPITAL IMPROVEMENT REVENUE BONDS FOR THE PRINCIPAL PURPOSES OF ACQUIRING, CONSTRUCTING AND EQUIPPING VARIOUS CAPITAL IMPROVEMENTS WITHIN THE CITY; PLEDGING CERTAIN PROCEEDS OF THE HALF-CENT SALES TAX, GUARANTEED ENTITLEMENT, FRANCHISE FEES AND PUBLIC SERVICE TAX TO SECURE THE PAYMENT OF THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THE BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; AND PROVIDING SEVERABILITY AND AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA, AS FOLLOWS:

SECTION 1. DEFINITIONS. When used in this Ordinance, the following terms shall have the following meanings, unless some other meaning is plainly intended:

"Bonds" shall mean the City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015 issued by the City pursuant to this Ordinance and the Resolution.

"City" shall mean the City of St. Pete Beach, Florida, a municipal corporation established by the State of Florida.

"Commission" shall mean the City Commission of the City of St. Pete Beach, Florida.

"Franchise Fees Revenues" shall mean all franchise fees revenues received by the City pursuant to its franchises with respect to natural gas and electricity, as more particularly described in the Resolution.

"Guaranteed Entitlement Revenues" shall mean the revenues received by the City from the guaranteed entitlement portion of the Revenue Sharing Trust Fund for Municipalities payable to the City pursuant to Chapter 218, Part II, Florida Statutes, in the annual amount of \$199,235, and any funds received by the City as a replacement for any such proceeds as the result of any subsequent change in Florida law; provided, however, "Guaranteed Entitlement Revenues" shall not include any excess amounts payable to the City from the Revenue Sharing Trust Fund for Municipalities (such excess is commonly referred to as "Growth Money").

"Ordinance" shall mean this Ordinance enacted by the Commission on the date hereof, as it may be amended and supplemented from time to time.

"Pledged Funds" shall mean (1) the Sales Tax Revenues, (2) the Guaranteed Entitlement Revenues, (3) the Franchise Fees Revenues, (4) the Public Service Tax Revenues, and (5) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established thereunder except (A) for the Unrestricted Revenue Account and the Rebate Fund and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions hereof.

"Public Service Tax Revenues" shall mean the proceeds of the public service tax received by the City from its levy of such tax on electricity, gas and water service at a rate of 10% and any funds received by the Issuer as a replacement for any proceeds as a result of any change in Florida law, as more particularly described in the Resolution. The City may include within the definition of "Public Service Tax" the levy of the public service tax on services other than electricity, gas and water service if the City provides by ordinance for such inclusion.

"Resolution" shall mean the resolution adopted by the Commission on April 28, 2015 that authorizes the issuance of the Bonds and sets forth the terms and provisions with respect to the Bonds, as it may be further amended or supplemented from time to time.

"Sales Tax Revenues" shall mean all moneys distributed (including any emergency distribution) to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to Part VI, Chapter 218, Florida Statutes and other applicable provisions of law, and any funds received by the City as a replacement for any proceeds as the result of any change in Florida law.

"Series 2015 Project" shall mean the Pass-A-Grille Project, the City Library Project, the Blind Pass Road Project and any other capital improvements approved by the Commission to be financed with proceeds of the Bonds, all as more particularly described in the plans and specifications on file with the City, as the same may be amended and supplemented from time to time.

The words "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms shall refer to this Ordinance.

Words importing the singular number include the plural number, and vice versa.

SECTION 2. FINDINGS. The Commission hereby finds and determines that:

(A) Pursuant to the Act, the City is authorized to pledge the Pledged Funds to pay the principal of, premium, if any, and interest on the Bonds.

(B) It is necessary and desirable and in the best interests of the City to borrow moneys from time to time to finance and refinance capital improvements within the City.

(C) For the purposes described above, the City is authorized hereunder to borrow money by issuing the Bonds as provided herein and in the Resolution.

(D) The City has various capital improvement needs and requirements in the form of the Series 2015 Project which need to be acquired, constructed and equipped in order to maintain and protect the health, safety and welfare of the citizens of the City.

(E) The principal of and interest on the Bonds and all other payments provided for herein and in the Resolution, will be paid solely from the Pledged Funds in accordance with the terms hereof and of the Resolution and in the manner provided herein and in the Resolution; the Bonds issued under the Resolution shall not constitute a general obligation, or a pledge of the faith, credit or taxing power of the City, the State of Florida, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions and neither the State of Florida, nor any political subdivision thereof, and the ad valorem taxing power of the City will never be necessary or authorized to pay the principal of and interest on the Bonds, or to make any other payments provided for in the Resolution, and the Bonds shall not constitute a lien upon any other property whatsoever of or in the City.

SECTION 3. ISSUANCE OF THE BONDS. The Bonds are hereby authorized to be issued in an original aggregate principal amount of not exceeding \$13,000,000. The Bonds may be issued in one or more series. The particular designation of each Bond may be made pursuant to the Resolution. The Bonds shall be issued for the principal purposes of (A) financing costs of the Project, (B) establishing debt service reserves, if required or deemed necessary, (C) paying for any credit enhancement for the Bonds, and (D) paying costs and expenses of issuing the Bonds. The principal of, redemption premium, if any, and interest on the Bonds shall be payable from the Pledged Funds, as provided herein and in the Resolution.

The Bonds shall be dated such date or dates, shall bear interest at such rate or rates, shall mature at such time or times and in such amount or amounts as may be determined by the Resolution, and may be redeemable before maturity, at the option of the City, at such price or prices and under such terms and conditions as may be fixed by the Resolution. The Commission shall determine by the Resolution the form of the Bonds, the manner of executing the Bonds, and such other terms and provisions of the Bonds as it deems appropriate. The Bonds may bear interest at a fixed or variable rate, as

shall be determined by the Resolution. In case any officer whose signature or a facsimile of whose signature shall appear on any Bond shall cease to be such officer before delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until such delivery. The Commission may sell the Bonds in such manner and for such price as it may determine by the Resolution to be in the best interests of the City. The Bonds may be further secured by any credit enhancement as the Commission by the Resolution deems appropriate.

The Bonds may be issued without any other proceedings or the happening of any other conditions or other things other than those proceedings, conditions or things which are specifically required by this Ordinance.

The proceeds of the Bonds shall be disbursed in such manner and under such restrictions, if any, as may be provided by the Resolution.

The Bonds shall be further secured by the Resolution which may include, but without limitation, provisions as to the rights and remedies of the holders of the Bonds, the application of funds and such other matters as are customarily in such an instrument.

SECTION 4. TAXING POWER NOT PLEDGED. The Bonds issued under the provisions of this Ordinance shall not be deemed to constitute a pledge of the faith and credit of the City, but the Bonds shall be payable from the Pledged Funds in the manner and to the extent provided herein and in the Resolution, unless otherwise paid by such entity as shall provide credit enhancement on the Bonds, if any. The issuance of the Bonds under the provisions of this Ordinance shall not directly, indirectly or contingently obligate the City to levy or to pledge any form of ad valorem taxation whatever therefore. The holders of the Bonds shall never have the right to compel any exercise of the ad valorem taxing power on the part of the City to pay any of the Bonds or the interest thereon against any property of the City, nor shall the Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City except the Pledged Funds as provided in the Resolution.

SECTION 5. TRUST FUNDS. All moneys received pursuant to the authority of this Ordinance, whether as proceeds from the sale of the Bonds or the Pledged Funds, shall be deemed to be trust funds, to be held and applied solely as provided in this Ordinance and in the Resolution. The Pledged Funds upon receipt thereof by the City shall automatically and without any further action of the City be subject to the lien and pledge in favor of the holders of the Bonds or any entity providing credit enhancement on the Bonds. Such Pledged Funds may be invested by the City, or its designee, in such manner as provided in the Resolution.

SECTION 6. REMEDIES OF HOLDERS OF BONDS. The holders of the Bonds, except to the extent the rights herein given may be restricted by the Resolution, may, whether at law or in equity, by suit, action, mandamus or other

proceeding, protect and enforce and compel the performance of all duties required hereby, or by such Resolution, to be performed by the City.

SECTION 7. ALTERNATIVE METHOD. This Ordinance shall be deemed to provide an additional and alternative method for the doing of things authorized hereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing or which may hereafter come into existence. This Ordinance, being necessary for the health, safety and welfare of the inhabitants and/or property owners of the City, shall be liberally construed to effect the purposes hereof.

SECTION 8. GENERAL AUTHORITY. The members of the Commission of the City and the officers, attorneys and other agents or employees of the City are hereby authorized to do all acts and things required of them by this Ordinance, or desirable or consistent with the requirements hereof for the full punctual and complete performance of all the terms, covenants and agreements contained herein.

SECTION 9. SEVERABILITY. In the event that any portion or section of this Ordinance is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Ordinance which shall remain in full force and effect.

SECTION 10. EFFECTIVE DATE. This Ordinance shall take effect immediately upon its adoption by the City Commission of the City of St. Pete Beach, Florida.

PASSED AND DULY ADOPTED, with a quorum present and voting, this 12th day of May 2015.

FIRST READING: _____
PUBLISHED: _____
SECOND READING: _____
PUBLIC HEARING: _____

**CITY OF ST. PETE BEACH,
FLORIDA, BY AND THROUGH
THE CITY COMMISSION OF THE
CITY OF ST. PETE BEACH**

By: _____
Maria Lowe, Mayor

I, Rebecca C. Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this 12th day of May 2015.

By: _____
Rebecca C. Haynes, City Clerk

**St. Pete Beach City Commission
Agenda Report**

ISSUE CONSIDERED: Final Reading: Ordinance 2015-09 authorizing the issuance of a bond not to exceed \$3,000,000 in aggregate principal amount for the stormwater utility system.

DATE: May 12, 2015

PREPARED BY: Elaine Edmunds, Administrative Services Director

SUMMARY OF ISSUE: Ordinance 2015-09 provides authorization to issue a bond funded by the stormwater utility system in an amount not to exceed \$3,000,000.

The proceeds of this bond will be used to fund various stormwater utility capital improvements including but not limited to:

- Stormwater improvements on Blind Pass Road
- Stormwater improvements on Pass-A-Grille Way

The bond will be financed through the assessments levied by the Stormwater system. The city shall never use or be required to use any ad valorem taxes for payment on the bond.

REQUESTED MOTION: "I move to approve Ordinance 2015-09, (read title)..."

ATTACHMENTS: Ordinance 2015-09

**REVIEWED BY
CITY MANAGER:** WS

ATTACHMENTS: Ordinance 2015-09

ORDINANCE NO. 2015-09

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$3,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF A STORMWATER IMPROVEMENT ASSESSMENT BOND, SERIES 2015 OF THE CITY OF ST. PETE BEACH, FLORIDA TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF VARIOUS STORMWATER UTILITY CAPITAL IMPROVEMENTS; PLEDGING THE HEREIN DESCRIBED PLEDGED FUNDS TO SECURE THE PAYMENT OF THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON SUCH BOND; PROVIDING FOR A COVENANT TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES TO PAY DEBT SERVICE ON THE BOND IN THE EVENT THE PLEDGED FUNDS ARE INSUFFICIENT THEREOF; PROVIDING FOR THE RIGHTS OF THE HOLDER OF SUCH BOND; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA:

SECTION 1. DEFINITIONS. When used in this Ordinance, the following terms shall have the following meanings, unless some other meaning is plainly intended:

"Bond" shall mean the City of St. Pete Beach, Florida Stormwater Improvement Assessment Bond, Series 2015, to be issued by the City pursuant to this Ordinance and the Resolution.

"City" shall mean the City of St. Pete Beach, Florida, a municipal corporation established by the State of Florida.

"Commission" shall mean the City Commission of the City.

"Non-Ad Valorem Revenues" shall mean all revenues of the City derived from any source whatsoever other than ad valorem taxation on real or personal property that are deposited to and accounted for in the governmental funds of the City, which are legally available to make the payments required herein, but only after provision has been made by the Issuer for the payment of all essential or legally mandated services.

"Ordinance" shall mean this Ordinance enacted by the Commission on the date hereof, as it may be amended and supplemented from time to time.

"Pledged Funds" shall mean (1) the proceeds of the special assessments levied against properties specially benefitted by the services of and improvements to the System, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution, except (A) as for any rebate fund established under the Resolution, and (B) to the extent moneys on deposit in a subaccount of any debt service reserve account established under the Resolution shall be pledged solely for the payment of the series of bonds for which it was established in accordance with the provisions of the Resolution.

"Project" shall mean the acquisition, construction, and reconstruction of various stormwater-related capital improvements required in connection with the Blind Pass Road and Pass-A-Grille Way road projects, as more specifically described in the plans and specifications on file or to be on file with the City, with such changes, deletions, additions or modifications to the enumerated improvements, equipment and facilities, or such other improvements, as approved by the Commission.

"Resolution" shall mean the Resolution to be adopted by the Commission on May 12, 2015 that authorizes the Bond and sets forth the terms and provisions with respect to the Bond, as it may be further amended or supplemented from time to time.

"System" shall mean any and all stormwater utility facilities now owned or hereafter owned by the City, which System shall also include any and all improvements, extensions and additions thereto hereafter constructed or acquired either from the proceeds of bonds or from any other sources, together with all property, real or personal, tangible or intangible, now or hereafter owned or used in connection therewith, including all contractual rights, rights to capacity and obligations or undertakings associated therewith.

The words "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms shall refer to this Ordinance.

Words importing the singular number include the plural number, and vice versa.

SECTION 2. FINDINGS. The Commission hereby finds and determines that:

(A) The City has various stormwater utility capital needs and requirements in the form of the Project which must be acquired, constructed and equipped in order to maintain and protect the health, safety and welfare of the citizens of the City.

(B) The most efficient and cost-effective method of financing the acquisition, construction and equipping of a portion of the Project is by the issuance of the Bond secured by and payable from the Pledged Funds.

(C) The principal of, redemption premium, if any, and interest on the Bond shall be paid from the Pledged Funds. The City shall never use or be required to use any ad valorem taxes for the payment of the Bond. The Bond shall not constitute a general obligation of the City or a pledge of its faith and credit or taxing power, nor shall the Bondholders have any lien or encumbrance on any property in the City, including the System or the Project. The City may include in the Resolution a covenant of the City to budget and appropriate sufficient Non-Ad Valorem Revenues to pay debt service on the Bond to the extent the Pledged Funds are insufficient.

SECTION 3. AUTHORIZING THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT. The Commission hereby authorizes and empowers the acquisition, construction and equipping of the Project.

SECTION 4. ISSUANCE OF THE BOND. The Bond is hereby authorized to be issued in an aggregate principal amount of not exceeding \$3,000,000. The designation of the Bond may be modified by the Resolution as required to reflect the actual terms and series of such Bond. The Bond shall be issued for the principal purposes of (A) financing Costs of the Project, (B) capitalizing a portion of the interest on the Bond if determined to be necessary or desirable pursuant to the Resolution, (C) funding a debt service reserve account to the extent required by the Resolution and (D) paying costs and expenses of issuing the Bond. The principal of, redemption premium, if any, and interest on the Bond shall be payable from the Pledged Funds, as provided herein and in the Resolution. The City may include in the Resolution a covenant of the City to budget and appropriate sufficient Non-Ad Valorem Revenues to pay debt service on the Bond to the extent the Pledged Funds are insufficient.

The Bond shall be dated such date, shall bear interest at such rate, shall mature at such time and in such amount as may be determined by the Resolution, and may be made redeemable before maturity, at the option of the City, at such price and under such terms and conditions as may be fixed by the Resolution. The Commission shall determine by the Resolution the form of the Bond, the manner of executing such Bond, and shall fix the denomination of such Bond, the place or places and dates of payment of the principal and interest, which may be at any bank or trust company within or without the State of Florida, and such other terms and provisions of the Bond as it deems appropriate. In case any officer whose signature or a facsimile of whose signature shall appear on the Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. The City may sell the Bond in such manner and for such price as it may determine by the Resolution to be in the best interests of the City.

Prior to the preparation of definitive bonds of any series, the City may, by the Resolution, under like restrictions, issue interim receipts, interim certificates, or temporary bonds, exchangeable for a definitive bond when such bond has been executed and is available for delivery. The City may also provide for the replacement of any bond which shall become mutilated, or be destroyed or lost. Bonds may be issued without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this Ordinance.

The proceeds of the Bond shall be disbursed in such manner and under such restrictions, if any, as may be provided by the Resolution.

SECTION 5. TAXING POWER NOT PLEDGED. The Bond issued under the provisions of this Ordinance shall not be deemed to constitute a pledge of the faith and credit or taxing power of the City, but such Bond shall be payable from the Pledged Funds in the manner provided herein and in the Resolution, unless otherwise paid by such entity as shall provide credit enhancement on the Bond, if any. The Bond shall be on parity in all respects with the other obligations outstanding under the Resolution, including any subsequently issued Additional Bond (as defined in the Resolution). The issuance of the Bond under the provisions of this Ordinance shall not directly, indirectly or contingently obligate the City to levy or to pledge any form of ad valorem taxation whatever therefore. No holder of any such Bond shall ever have the right to compel any exercise of the ad valorem taxing power on the part of the City to pay any such Bond or the interest thereon against any property of the City, nor shall the Bond constitute a charge, lien or encumbrance, legal or equitable, upon any property of the City except the Pledged Funds. The City may include in the Resolution a covenant of the City to budget and appropriate sufficient Non-Ad Valorem Revenues to pay debt service on the Bond to the extent the Pledged Funds are insufficient.

SECTION 6. TRUST FUNDS. The Pledged Funds received pursuant to the authority of this Ordinance shall be deemed to be trust funds, to be held and applied solely as provided in this Ordinance and in the Resolution. The Pledged Funds upon receipt thereof by the City shall be subject to the lien and pledge of the holders of the Bond.

SECTION 7. REMEDIES OF BONDHOLDER. The holder of the Bond, except to the extent the rights herein given may be restricted by the Resolution, may, whether at law or in equity, by suit, action, mandamus or other proceeding, protect and enforce and compel the performance of all duties required hereby, or by such Resolution, to be performed by the City.

SECTION 8. ALTERNATIVE METHOD. This Ordinance shall be deemed to provide an additional and alternative method for the doing of things authorized hereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing or which

may hereafter come into existence. This Ordinance, being necessary for the health, safety and welfare of the inhabitants and/or property owners of the City, shall be liberally construed to effect the purposes hereof.

SECTION 9. VALIDATION. To the extent deemed necessary by Bond Counsel, Nabors, Giblin & Nickerson, P.A., or desirable by the City Attorney, the City Attorney is authorized to institute appropriate proceedings for validation of the Bond pursuant to Chapter 75, Florida Statutes.

SECTION 10. GENERAL AUTHORITY. The members of the Commission of the City and the officers, attorneys and other agents or employees of the City are hereby authorized to do all acts and things required of them by this Ordinance, or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all the terms, covenants and agreements contained herein.

SECTION 11. SEVERABILITY. In the event that any portion or section of this Ordinance is determined to be invalid, illegal or unconstitutional by a court of competent jurisdiction, such decision shall in no manner affect the remaining portions or sections of this Ordinance which shall remain in full force and effect.

SECTION 12. EFFECTIVE DATE. This Ordinance shall take effect immediately upon its adoption by the City Commission of the City of St. Pete Beach, Florida.

PASSED AND DULY ADOPTED, with a quorum present and voting, this 12th day of May 2015.

FIRST READING: _____

PUBLISHED: _____

SECOND READING: _____

PUBLIC HEARING: _____

**CITY OF ST. PETE BEACH, FLORIDA,
BY AND THROUGH THE CITY
COMMISSION OF THE CITY OF ST.
PETE BEACH**

By: _____
Maria Lowe, Mayor

I, Rebecca C. Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this 12th day of May 2015.

By: _____
Rebecca C. Haynes, City Clerk

St. Pete Beach City Commission
Agenda Report

ISSUE CONSIDERED: Resolution 2015-06 authorizing the issuance of Stormwater Improvement Assessment Bonds from time to time for the principal purposes of financing and refinancing costs of the acquisition, construction and equipping of various stormwater capital improvements; pledging the monies received from the special assessments levied upon real property benefited by services of and improvements to the City's Stormwater Utility System to secure payment of the principal of and interest on said bonds; covenanting to budget and appropriate certain legally available non-ad valorem revenues to pay debt service on the bonds in the event the stormwater utility special assessments are insufficient for such purpose; providing for the rights of the holders of such bonds; making certain other covenants and agreements in connection with bonds issued hereunder; providing for the issuance of not exceeding \$3,000,000 principal amount of the City of St. Pete Beach, Florida Stormwater Improvement Assessment Bond, Series 2015, to Capital One Public Funding, LLC in order to evidence such loan; providing certain terms and details of said bond, including authorizing a negotiated sale of the Series 2015 Bond to Capital One Public Funding, LLC ; delegating certain authority to the City Manager to negotiate and approve the final terms and details of said Series 2015 Bond in accordance with the terms hereof; providing for making certain other covenants and agreements in connection with the Series 2015 Bond issued hereunder; and providing an effective date.

DATE: May 12, 2015

PREPARED BY: Elaine Edmunds, Administrative Services Director

SUMMARY OF ISSUE: Resolution 2015-06 provides an overall framework as a Master Resolution that can be used for all future borrowings related to the Stormwater Utility System. By providing this framework, all future borrowings can be done by a Supplemental Resolution that will be required to contain specifics relating to the future loan/bond that is being issued and refer to this Resolution for the common characteristics pertaining to authorized Stormwater Utility System borrowing instruments.

Ordinance 2015-09 authorized the issuance of debt with Capital One Public Funding, LLC obligations not to exceed \$3,000,000 for the Series 2015 Stormwater Bond. Following the results of the City's Bank RFP and the recommendations from the City Selection Committee and its Financial Advisor on April 28th of the Fifteen (15) Year Term Option and the

City Council's approval of the Capital One Public Financing, LLC's Loan Commitment on April 28th, this Resolution further authorizes the loan with Capital One of up to \$3,000,000 and provides the details related to the transaction. The loan is for a fifteen year period at a fixed tax exempt interest rate of 2.95% and allows for early repayment without penalty after the first six years.

The will be used to fund various stormwater utility capital improvements including but not limited to:

- Wastewater improvements on Blind Pass Road
- Wastewater improvements on Pass-A-Grille Way

The loan will be financed through revenues generated by the stormwater assessment revenues. The City shall never use or be required to use any ad valorem taxes, but has provided credit support in order to obtain a lower interest rate and acceptable Term Bank RFP responses for the 2015 Stormwater Bond of a covenant to budget and appropriate from legally available non ad valorem revenues in the event that Stormwater Assessment Revenues are insufficient to service the debt related to the Series 2015 Stormwater Bond. It is not anticipated that this credit support will be necessary since the current Stormwater Assessments are capable of paying for the debt service on the 2015 Bond and are placed on the property owners' tax bill and paid on an "all-or-non" basis by the property owners within the City along with the City, County, and School board taxes.

REQUESTED MOTION: "I move to approve Resolution 2015-06, (read title)..."

ATTACHMENTS: Resolution 2015-06

**REVIEWED BY
CITY MANAGER:** WS

CITY OF ST. PETE BEACH, FLORIDA

STORMWATER IMPROVEMENT ASSESSMENT BOND RESOLUTION

RESOLUTION NO. 2015-06

ADOPTED MAY 12, 2015

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RESOLUTION NO. 2015-06

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA, AUTHORIZING THE ISSUANCE OF STORMWATER IMPROVEMENT ASSESSMENT BONDS FROM TIME TO TIME FOR THE PRINCIPAL PURPOSES OF FINANCING AND REFINANCING COSTS OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF VARIOUS STORMWATER CAPITAL IMPROVEMENTS; PLEDGING THE MONEYS RECEIVED FROM SPECIAL ASSESSMENTS LEVIED UPON REAL PROPERTY BENEFITED BY SERVICES OF AND IMPROVEMENTS TO THE CITY'S STORMWATER UTILITY SYSTEM TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; COVENANTING TO BUDGET AND APPROPRIATE CERTAIN LEGALLY AVAILABLE NON-AD VALOREM REVENUES TO PAY DEBT SERVICE ON THE BONDS IN THE EVENT THE SPECIAL ASSESSMENTS ARE INSUFFICIENT FOR SUCH PURPOSE; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH BONDS ISSUED HEREUNDER; ACCEPTING THE PROPOSAL OF CAPITAL ONE PUBLIC FUNDING, LLC TO PROVIDE THE CITY WITH A LOAN TO FINANCE CERTAIN COSTS RELATING TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF VARIOUS CAPITAL IMPROVEMENTS TO THE CITY'S STORMWATER UTILITY SYSTEM; PROVIDING FOR THE ISSUANCE OF NOT EXCEEDING \$3,000,000 PRINCIPAL AMOUNT OF THE CITY OF ST. PETE BEACH, FLORIDA STORMWATER IMPROVEMENT ASSESSMENT BOND, SERIES 2015, TO CAPITAL ONE PUBLIC FUNDING, LLC IN ORDER TO EVIDENCE SUCH LOAN; PROVIDING CERTAIN TERMS AND DETAILS OF SAID BOND, INCLUDING AUTHORIZING A NEGOTIATED SALE OF THE SERIES 2015 BOND TO CAPITAL ONE PUBLIC FUNDING, LLC; DELEGATING CERTAIN AUTHORITY TO THE CITY MANAGER TO NEGOTIATE AND APPROVE THE FINAL TERMS AND DETAILS OF SAID SERIES 2015 BOND IN ACCORDANCE WITH THE TERMS HEREOF; PROVIDING FOR MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE SERIES 2015 BOND ISSUED HEREUNDER; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA:

ARTICLE I GENERAL

SECTION 1.01. DEFINITIONS. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Act" shall mean Chapter 166, Florida Statutes, the Charter of the City of St. Pete Beach, Florida, the Assessment Legislation, and other applicable provisions of law.

"Additional Bonds" shall mean the obligations issued at any time under the provisions of Section 5.02 hereof on a parity with the Series 2015 Bonds.

"Additional Project" shall mean the acquisition and construction of such properties, facilities and improvements to the System as shall be permitted by the Act. This term is to be broadly construed as including any lawful undertaking, including, without limitation, joint ventures and acquisition of partial interests or contractual rights. The description of such Additional Project shall be set forth in the Supplemental Resolution authorizing the issuance of Bonds which shall finance the acquisition, construction and funding of such Additional Project.

"Annual Assessment Resolution" shall mean each annual resolution to be adopted by the Commission in order to impose and levy Assessments for the ensuing Fiscal Year.

"Annual Debt Service" shall mean the aggregate amount of Debt Service on the Bonds for each applicable Fiscal Year.

"Assessment Legislation" shall mean Ordinance No. 2009-30, adopted by the Commission on November 30, 2009, Resolution No. 2010-08, adopted by the Commission on February 23, 2010, Resolution No. 2011-18, adopted by the Commission on October 11, 2011, Resolution No. 2011-19, adopted by the Commission on November 8, 2011, as each may be amended and supplemented from time to time, and each subsequently adopted Annual Assessment Resolution.

"Assessments" shall mean the special assessments lawfully levied by the Issuer in accordance with the Assessment Legislation against properties specially benefited by the System.

"Authorized Investments" shall mean any investments that may be made by the Issuer under applicable law and which are allowed under the Issuer's investment policy.

"Authorized Issuer Officer" shall mean the Mayor or the City Manager, and when used in reference to any act or document, also means any other person authorized by resolution of the Issuer to perform such act or sign such document.

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A. or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Insurance Policy" shall mean the municipal bond insurance policy or financial guaranty insurance policy or policies issued by an Insurer guaranteeing the payment of the principal of and interest on any portion of the Bonds.

"Bondholder" or **"Holder"** or **"holder"** or any similar term, when used with reference to a Bond or Bonds, shall mean any person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Issuer.

"Bonds" shall mean the Series 2015 Bonds, together with any Additional Bonds issued pursuant to this Resolution and any Subordinated Indebtedness which accedes to the status of Bonds pursuant to Section 5.04 hereof.

"City Manager" shall mean the City Manager of City of St. Pete Beach, Florida, and such other person as may be duly authorized to act on behalf of the City Manager.

"Clerk" shall mean the City Clerk of the City of St. Pete Beach, Florida and such other person as may be duly authorized to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules thereunder in effect or proposed.

"Commission" shall mean the City Commission of the City of St. Pete Beach, Florida.

"Construction Fund" shall mean the fund established pursuant to Section 4.03 hereof.

"Cost" or **"Costs"**, when used in connection with a Project, shall, to the extent permitted by the Act, mean (1) the Issuer's cost of physical construction; (2) costs of acquisition by or for the Issuer of such Project; (3) costs of land and interests therein and the cost of the Issuer incidental to such acquisition; (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bonds and other obligations relating to the System during the period of acquisition and construction of such Project and for such period subsequent to completion as the Issuer shall determine and shall be allowed under the applicable provisions of the Code; (6) engineering, legal and other consultant fees and expenses; (7) costs and expenses of the financing, including audits, fees and expenses of any Paying Agent, Registrar, escrow agent or depository; (8) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the

Issuer (other than the Bonds) incurred for such Project; (9) costs of machinery or equipment required by the Issuer for the commencement of operation of such Project; (10) other costs or expenses which may be funded from proceeds of the Bonds pursuant to the Act; and (11) any other costs properly attributable to such construction or acquisition, as determined by generally accepted accounting principles and shall include reimbursement to the Issuer for any such items of Cost heretofore paid by the Issuer and interest on any interfund loan related thereto. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

"Counterparty" shall mean the entity entering into a Hedge Agreement with the Issuer. Counterparty would also include any guarantor of such entity's obligations under such Hedge Agreement.

"Credit Bank" shall mean as to any particular Series of Bonds, the Person (other than an Insurer) providing a letter of credit, a line of credit or another credit or liquidity enhancement facility, as designated in the Supplemental Resolution providing for the issuance of such Bonds.

"Credit Facility" shall mean as to any particular Series of Bonds, an irrevocable letter of credit, a line of credit or other credit or legal liquidity facility (other than a Bond Insurance Policy), as approved in the Supplemental Resolution providing for the issuance of such Series of Bonds.

"Debt Service" shall mean, at any time, the aggregate amount in the then applicable period of time of (1) interest required to be paid on the Outstanding Bonds during such period of time, except to the extent that such interest is to be paid from deposits in the Interest Account or Construction Fund made from Bond proceeds for such purpose, (2) principal of Outstanding Serial Bonds maturing in such period of time, and (3) the Sinking Fund Installments scheduled to be paid during such period of time. For purposes of this definition, (A) all amounts payable on a Capital Appreciation Bond shall be considered a principal payment in the year it becomes due, (B) with respect to debt service on any Bonds which relate to a Qualified Hedge Agreement, interest on such Bonds during the term of such Qualified Hedge Agreement shall be deemed to be the Hedge Payments coming due during such period of time, (C) if any Series of Bonds has 25% or more of the aggregate principal amount of such Series coming due in any one year, Debt Service shall be determined on such Series during such period of time as if the principal of and interest on such Series were being paid from the date of issuance thereof in substantially equal annual amounts over a period of 25 years, (D) the amount, if any, on deposit in the Reserve Account (or any subaccount thereof) on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of the Bonds which are secured by such Reserve Account (or subaccount thereof) and in each preceding year until such amount is exhausted, and (E) with respect to Debt Service on any Federal Subsidy Bonds, when determining the interest on such Bonds for any particular Interest Date the amount of the corresponding Federal Subsidy Payment shall

be deducted from the amount of interest which is due and payable to the holders of such Bonds on the Interest Date, but only to the extent that the Issuer reasonably believes that it will be in receipt of such Federal Subsidy Payment on or prior to such Interest Date.

"Debt Service Fund" shall mean the Debt Service Fund established pursuant to Section 4.04 hereof.

"Debt Service Reserve Account Policy Agreement" shall mean any agreement securing the obligation of the Issuer to repay Policy Costs associated with a Reserve Account Letter of Credit or Reserve Account Insurance Policy.

"Delinquent Assessments" shall mean, collectively, any and all installments of any Assessments which are not paid on or before they are due.

"Event of Default" shall mean any Event of Default specified in Section 6.01 of this Resolution.

"Federal Securities" shall mean non-callable direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of Treasury) or non-callable obligations the principal of and interest on which are unconditionally guaranteed by the United States of America. All such obligations shall not permit redemption prior to maturity at the option of the obligor.

"Federal Subsidy Bonds" shall mean Bonds issued under Section 54AA of the Code, Section 1400U-2 of the Code or any other applicable provision of the Code, the interest on which is not exempt from federal income taxation, with respect to which the Issuer elects to receive, or is otherwise entitled to receive, Federal Subsidy Payments from the United States Department of Treasury.

"Federal Subsidy Payments" shall mean the direct payments made by the United States Department of Treasury to the Issuer with respect to any Federal Subsidy Bonds pursuant to Sections 54AA(g), 6431 and 1400U-2 of the Code, or any other applicable provision of the Code.

"Financial Advisor" shall mean Larson Consulting Services, LLC, and its successors and assigns.

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Fitch" shall mean Fitch Ratings and any assigns and successors thereto.

"Hedge Agreement" shall mean an agreement in writing between the Issuer and the Counterparty pursuant to which (1) the Issuer agrees to pay to the Counterparty an

amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable rate) payable on a notional amount specified in such agreement during the period specified in such agreement and (2) the Counterparty agrees to pay to the Issuer an amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable rate) payable on all or a portion of a notional amount specified in such agreement during the period specified in such agreement. Hedge Agreement shall also include any financial product or agreement which is used by the Issuer as a hedging device with respect to its obligations to pay interest on the Bonds, or any portion thereof, which is designated by the Issuer as a "Hedge Agreement."

"Hedge Payments" shall mean any amounts payable by the Issuer as interest on the related notional amount under a Qualified Hedge Agreement; excluding, however, any payments due as a penalty or a fee or by virtue of termination of a Qualified Hedge Agreement or any obligation to provide collateral.

"Hedge Receipts" shall mean any amounts receivable by the Issuer on the related notional amount under a Qualified Hedge Agreement.

"Insurer" shall mean, with respect to a particular Series of Bonds, such Person as shall have issued a Bond Insurance Policy insuring all or a portion of such Series of Bonds, and its successors and assigns.

"Interest Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Interest Date" or **"interest payment date"** shall be such date or dates for the payment of interest on a Series of Bonds as shall be provided by Supplemental Resolution. Notwithstanding the foregoing, the Interest Dates for the Series 2015 Bond shall be May 1 and November 1 of each year, commencing November 1, 2015.

"Investment Earnings" shall mean all income and earnings derived from investment of moneys in the funds and accounts established hereunder, other than the Rebate Fund.

"Issuer" shall mean the City of St. Pete Beach, Florida, and also includes any authority or other governmental entity to which may hereafter be transferred some or all of the powers and responsibilities of the Issuer with respect to the ownership, financing, operation, enlargement, improvement and maintenance of the System.

"Maximum Annual Debt Service" shall mean the largest aggregate amount of the Annual Debt Service becoming due in any Fiscal Year in which Bonds are Outstanding or are to be Outstanding.

"Maximum Interest Rate" shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in, or determined in accordance with, the Supplemental Resolution of the Issuer authorizing the issuance of such Bonds, or in such other documentation relating to such Variable Rate Bonds, that shall be the maximum rate of interest such Bonds may at any particular time bear.

"Maximum Lawful Rate" means the maximum non-usurious rate of interest permitted by applicable law that may be applied to a particular Series of Bonds hereunder.

"Moody's" shall mean Moody's Investors Service, and any assigns and successors thereto.

"Non-Ad Valorem Revenues" shall mean all revenues of the Issuer derived from any source whatsoever other than ad valorem taxation on real or personal property that are deposited to and accounted for in the governmental funds of the Issuer, which are legally available to make the payments required herein, but only after provision has been made by the Issuer for the payment of all essential or legally mandated services.

"Outstanding", when used with reference to Bonds and as of any particular date, shall describe all Bonds theretofore and thereupon being authenticated and delivered except, (1) any Bond in lieu of which another Bond or other Bonds have been issued under agreement to replace lost, mutilated or destroyed Bonds, (2) any Bond surrendered by the Holder thereof in exchange for another Bond or other Bonds under Sections 2.05 and 2.07 hereof, (3) Bonds deemed to have been paid pursuant to Section 8.01 hereof, and (4) Bonds cancelled after purchase in the open market or because of payment at or redemption prior to maturity.

"Paying Agent" shall mean for each Series of Bonds, the paying agent appointed by the Issuer for such Series of Bonds and its successor or assigns, if any. With respect to the Series 2015 Bond, the initial Paying Agent shall be the Issuer acting through the City Manager's office.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, governmental entity or other legal entity.

"Pledged Funds" shall mean (1) the Special Assessments Proceeds, and (2) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder, except (A) as for the Rebate Fund, and (B) to the extent moneys on deposit in a subaccount of the Reserve Account shall be pledged solely for the payment of the Series of Bonds for which it was established in accordance with the provisions hereof.

"Policy Costs" shall mean, collectively, the repayment of draws, reasonable expenses and interest related to a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit.

"Prepayments" shall mean any Assessments, or portions thereof, which shall be paid to the Issuer prior to the time the same becomes due.

"Prerefunded Obligations" shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (1) which are (A) not callable prior to maturity or (B) as to which irrevocable instructions have been given to the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are fully secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or Federal Securities, secured in the manner set forth in Section 8.01 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as the case may be, (3) as to which the principal of and interest on the Federal Securities, which have been deposited in such fund along with any cash on deposit in such fund, are sufficient, as verified by an independent certified public accountant or other expert in such matters, to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above, and (4) which are rated in the highest rating category (without regard of gradations, such as "plus" or "minus" of such categories) of one of the Rating Agencies.

"Principal Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Project" shall mean the Series 2015 Project and any Additional Project.

"Purchaser" shall mean, with respect to the Series 2015 Bond, Capital One Public Funding, LLC, and any successor or assigns.

"Qualified Hedge Agreement" shall mean a Hedge Agreement with a Counterparty that at the time it enters into such Hedge Agreement is rated "A-" or better by Standard & Poor's and "A3" or better by Moody's.

"Rating Agencies" shall mean Fitch, Moody's and Standard & Poor's.

"Rebate Fund" shall mean the Rebate Fund established pursuant to Section 4.04 hereof.

"Redemption Price" shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

"Refunding Securities" shall mean Federal Securities and Prerefunded Obligations.

"Registrar" shall mean for each Series of Bonds, the registrar appointed by the Issuer for such Series of Bonds and its successor or assigns, if any. With respect to the Series 2015 Bond, the initial Registrar shall be the Issuer acting through the City Manager's office.

"Reserve Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Reserve Account Insurance Policy" shall mean the insurance policy or surety bond deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(5) hereof.

"Reserve Account Letter of Credit" shall mean a letter of credit or line of credit or other credit facility (other than a Reserve Account Insurance Policy) deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(5) hereof.

"Reserve Account Requirement" shall mean, as of any date of calculation for the Reserve Account or a subaccount therein, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds secured thereby, (2) 125% of the average Annual Debt Service for all Outstanding Bonds secured thereby, or (3) the maximum amount of Bond proceeds which may be deposited to the Reserve Account without subjecting the same to yield restriction under the Code, or causing interest on any of the Bonds secured thereby (other than Taxable Bonds) to be included in gross income for purposes of federal income taxation or otherwise violating applicable provisions of the Code; provided, however, the Issuer may establish hereby or by Supplemental Resolution a different Reserve Account Requirement with respect to any particular Series of Bonds pursuant to Section 4.05(B)(4) hereof, which Reserve Account Requirement may be \$0.00. In computing the Reserve Account Requirement in respect of a Series of Bonds that constitutes Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 12 months prior to the date of calculation, the highest of (i) the actual rate of interest on the date of calculation, (ii) the average interest rate borne by such Variable Rate Bonds for the 12-month period immediately preceding each date of calculation, and (iii) the Bond Buyer Revenue Bond Index most recently published prior to the time of calculation, and (B) if such Variable Rate Bonds have not been Outstanding for at least 12 months prior to the date of calculation, the higher of (i) the actual rate of interest on the date of

calculation, and (ii) the Bond Buyer Revenue Bond Index most recently published prior to the time of calculation. The Reserve Account Requirement shall be calculated, and the investments on deposit in the Reserve Account shall be valued, as of September 30 of each year with respect to the next succeeding Fiscal Year. With respect to the Series 2015 Bond, the Reserve Account Requirement shall be \$0.00.

"Resolution" shall mean this Resolution, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

"Revenue Fund" shall mean the Revenue Fund established pursuant to Section 4.04 hereof.

"Serial Bonds" shall mean all of the Bonds other than the Term Bonds.

"Series" shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.01 and 2.02 hereof or a Supplemental Resolution authorizing the issuance by the Issuer of such Bonds as a separate Series, regardless of variations in maturity, interest rate, Sinking Fund Installments or other provisions.

"Series 2015 Bond" shall mean the Issuer's Stormwater Improvement Assessment Bond, Series 2015 authorized pursuant to Section 2.02 hereof.

"Series 2015 Project" shall mean the acquisition, construction, and reconstruction of various stormwater-related capital improvements required in connection with the Blind Pass Road and Pass-A-Grille Way road projects, as more specifically described in the plans and specifications on file or to be on file with the Issuer, with such changes, deletions, additions or modifications to the enumerated improvements, equipment and facilities, or such other improvements, as approved by the Commission.

"Sinking Fund Installment" shall mean an amount designated as such pursuant to the provisions hereof or of a Supplemental Resolution of the Issuer and established with respect to the Term Bonds.

"Special Assessment Proceeds" shall mean the proceeds of the Assessments lawfully collected by the Issuer, including Delinquent Assessments, Prepayments and the interest and penalties on such Assessments, which may lawfully be used to pay debt service on the Bonds.

"Standard and Poor's" or **"S&P"** shall mean Standard and Poor's Ratings Services, and any assigns and successors thereto.

"State" shall mean the State of Florida.

"Subordinated Indebtedness" shall mean that indebtedness of the Issuer, subordinate and junior to the Bonds, issued in accordance with the provisions of Section 5.01 hereof or deemed subordinate and junior to the Bonds in accordance with the provisions hereof or in accordance with the provisions of such Subordinated Indebtedness.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 7.01, 7.02 and 7.03 hereof.

"System" shall mean any and all stormwater utility facilities now owned or hereafter owned by the Issuer, which System shall also include any and all improvements, extensions and additions thereto hereafter constructed or acquired either from the proceeds of Bonds or from any other sources, together with all property, real or personal, tangible or intangible, now or hereafter owned or used in connection therewith, including all contractual rights, rights to capacity and obligations or undertakings associated therewith.

"Taxable Bonds" shall mean any Bond which states, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income taxation purposes or that such interest is subject to federal income taxation. Notwithstanding the foregoing, except as otherwise provided herein, Taxable Bonds shall not include Federal Subsidy Bonds.

"Term Bonds" shall mean those Bonds which shall be designated as Term Bonds hereby or by Supplemental Resolution of the Issuer.

"Term Bonds Redemption Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act. The Issuer has ascertained and hereby determined that adoption of this Resolution is necessary to carry out the powers, purposes and duties expressly provided in the Act, that each and every matter and thing as to which provision is made herein is necessary in order to carry out and effectuate the purposes of the Issuer in accordance with the Act and to carry out and effectuate the plan and purpose

of the Act, and that the powers of the Issuer herein exercised are in each case exercised in accordance with the provisions of the Act and in furtherance of the purposes of the Issuer.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Issuer with the Holders of the Bonds and any Credit Bank and Insurer and shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Bonds and any Credit Bank and Insurer. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds and for the benefit, protection and security of any Credit Bank and Insurer but only to the extent and in accordance with the terms hereof. All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. FINDINGS. It is hereby ascertained, determined and declared that:

(A) The Issuer has heretofore determined that it is necessary and in the best interests of the health, safety and welfare of the Issuer and its inhabitants that the Issuer own, operate, maintain, improve, manage and expand the System.

(B) It is necessary and desirable and in the best interests of the Issuer to borrow moneys from time to time to improve and expand the System and to refinance certain indebtedness related to the System.

(C) For the purposes described above, the Issuer is authorized hereunder to borrow money by issuing its Bonds from time to time as provided herein.

(D) The Issuer has various capital infrastructure needs and requirements in the form of the Series 2015 Project which need to be acquired, constructed and equipped in order to maintain and protect the health, safety and welfare of the citizens of the Issuer.

(E) On the date hereof, the Commission duly enacted Ordinance No. 2015-09 which, among other things, authorized the issuance of debt obligations of the Issuer in an amount not to exceed \$3,000,000 for the principal purposes of financing the Costs of acquisition, construction and equipping of the Series 2015 Project.

(F) Upon the advice of the Issuer's Financial Advisor, after receiving bids pursuant to a Request for Proposals prepared by the Financial Advisor on the Issuer's behalf and at the Issuer's request, the Issuer hereby determines that it is in its best interest

to accept the proposal of the Purchaser to purchase the Series 2015 Bond on the terms set forth in the Purchaser's proposal attached hereto as Exhibit A and as otherwise set forth in this Resolution.

(G) It is in the best interests of the Issuer to finance the Costs of acquisition, construction and equipping of the Series 2015 Project through the issuance of tax-exempt debt obligations and the most efficient and fairest method of financing such Costs is by the issuance of the Series 2015 Bond to the Purchaser secured by and payable from the Pledged Funds as provided herein.

(H) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2015 Bond and the complexity of the transactions relating to such Series 2015 Bond, it is in the best interest of the Issuer to sell the Series 2015 Bond to the Purchaser pursuant to a negotiated sale in accordance with the provisions hereof, allowing the Issuer to choose the date of issuance of the Series 2015 Bond rather than issuing the Series 2015 Bond on an advertised date, thereby permitting the Issuer to obtain the best possible price, terms and interest rate for the Series 2015 Bond.

(I) The Issuer acknowledges receipt of the information required by Section 218.385, Florida Statutes, in connection with the negotiated sale of the Series 2015 Bond, including a "truth-in-bonding" statement, all of which is set forth in the form of the letter of the Purchaser attached hereto as Exhibit B, an executed copy of which will be received by the Issuer prior to the issuance of the Series 2015 Bond.

(J) The Series 2015 Bond and any subsequently issued Additional Bonds shall be secured by the Pledged Funds as provided herein and such Pledged Funds are not currently pledged or encumbered to any other indebtedness.

(K) The principal of and interest on the Bonds to be issued pursuant to this Resolution, and all other payments provided for in this Resolution will be paid solely from the Pledged Funds in accordance with the terms hereof; and the ad valorem taxing power of the Issuer will never be necessary or authorized to pay the principal of and interest on the Bonds to be issued pursuant to this Resolution, or to make any other payments provided for in this Resolution, and the Bonds shall not constitute a lien upon the System or upon any other property whatsoever of or in the Issuer.

SECTION 1.05. AUTHORIZATION OF THE SERIES 2015 PROJECT; REIMBURSEMENT. The acquisition, construction and equipping of the Series 2015 Project and the financing of Costs thereof from proceeds of the Series 2015 Bond is hereby authorized and approved. Costs of the Series 2015 Project incurred by the Issuer heretofore or hereafter may be reimbursed from proceeds of the Series 2015 Bond in accordance with the applicable provisions of the Code.

SECTION 1.06 ACCEPTANCE OF PROPOSAL. The Issuer hereby accepts the proposal of the Purchaser to provide the Issuer with a loan to finance the Costs of acquisition, construction and equipping of the Series 2015 Project in the form attached hereto as Exhibit A. The City Manager is hereby authorized to execute and deliver any documents required to formally accept such proposal and the terms thereof. All actions taken by such officers or their designees and the Financial Advisor with respect to such proposal prior to the date hereof are hereby authorized and ratified.

ARTICLE II AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. This Resolution creates an issue of Bonds of the Issuer to be designated as "City of St. Pete Beach, Florida, Stormwater Improvement Assessment Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act or by law.

The Bonds may, if and when authorized by the Issuer pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs. Notwithstanding anything in this Resolution to the contrary, any Series of Bonds issued hereunder may be designated as "Bonds," a "Bond" or a "Note" or such other designation representing an indebtedness pursuant to Supplemental Resolution of the Issuer and if so issued such Bond, Bonds, Note or other designation shall be considered a Bond or Bonds for all purposes of this Resolution.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined by Supplemental Resolution of the Issuer.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable in such manner and at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and on such dates; shall have such Interest Dates; and the proceeds shall be used in such manner; all as determined hereby or provided for by Supplemental Resolution of the Issuer. The Issuer may issue Bonds which may be secured by a Credit Facility or by a Bond Insurance Policy of an Insurer all as shall be determined hereby or provided for by Supplemental Resolution of the Issuer. The Commission may delegate approval of the terms, details and sale of a Series of Bonds to an Authorized Issuer Officer hereby or pursuant to Supplemental Resolution.

SECTION 2.02. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2015 BOND. A Series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in the aggregate principal amount of not exceeding \$3,000,000 for the principal purposes of financing Costs of the Series 2015 Project and paying costs of issuing such Bonds. Such Series of Bonds shall be designated

as, and shall be distinguished from the Bonds of all other Series by the title, "City of St. Pete Beach, Florida Stormwater Improvement Assessment Bond, Series 2015" (or such other designation as the City Manager may determine). The aggregate principal amount of the Series 2015 Bond to be issued pursuant to this Resolution shall be determined by the City Manager on or prior to the sale of the Series 2015 Bond provided such aggregate principal amount does not exceed \$3,000,000.

The Series 2015 Bond shall be dated as of the date of its delivery to the Purchaser, shall be issued in the form of one fully registered Term Bond in denominations of \$250,000 or any integral multiple of \$1,000 in excess thereof, and shall be numbered one preceded by the letter "R." The Series 2015 Bond shall bear interest from its dated date at a fixed interest rate per annum equal to 2.95% (the "Interest Rate"). Interest on the Series 2015 Bond shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the Series 2015 Bond shall be payable semi-annually, on each Interest Date, commencing November 1, 2015. The Series 2015 Bond shall mature on May 1, 2030 and shall be subject to mandatory sinking fund redemption in such Sinking Fund Installments commencing on May 1, 2016 and on each November 1 and May 1 thereafter through the maturity date of the Series 2015 Bond, as determined by the City Manager and approved by the Purchaser, and set forth in the Series 2015 Bond; provided, however, notwithstanding any other provision of the Resolution to the contrary, the Issuer shall not be required to give the holder of the Series 2015 Bond any notice of redemption with respect to the scheduled payment of such Sinking Fund Installments. The Series 2015 Bond shall be sold on a negotiated basis to the Purchaser at a purchase price equal to 100% of the aggregate principal amount thereof. The form of the Purchaser's Disclosure Letter and Truth-in-Bonding Statement to be delivered prior the issuance of the Series 2015 Bond is attached hereto as Exhibit B. The Interest Rate on the Series 2015 Bond shall comply in all respects with Section 215.84, Florida Statutes.

Principal, Sink Fund Installments and interest payable on the Series 2015 Bond on any payment date shall be paid by check, draft, bank wire transfer, or in such other manner as may be agreed by the Issuer and the holder in whose name such Series 2015 Bond shall be registered at the close of business on the date (whether or not a business day) immediately preceding such payment date; provided, that the holder of the Series 2015 Bond shall present and surrender the Series 2015 Bond to the Paying Agent at the designated office of the Paying Agent for the final payment of the principal of the Series 2015 Bond or shall provide evidence that such Series 2015 Bond has been canceled and provided further, that the holder shall not credit payments against the Series 2015 Bond until the holder has actual receipt of such payments. Notwithstanding anything to the contrary herein, the Series 2015 Bonds shall not be required to be presented or surrendered to receive payment in connection with any redemption (including any mandatory sinking fund redemption) until the final maturity date of the Series 2015 Bonds or earlier payment in full of the Series 2015 Bonds. All payments of principal, premium, if applicable, and interest on the Series 2015 Bond shall be payable in any coin

or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

SECTION 2.03. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Mayor and the official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

SECTION 2.04. AUTHENTICATION. No Bond of any Series shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of authentication by the Registrar or such other entity as may be approved by the Issuer for such purpose. Such certificate on any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.08 hereof.

SECTION 2.05. TEMPORARY BONDS. Until the definitive Bonds of any Series are prepared, the Issuer may execute, in the same manner as is provided in Section 2.03, and deliver, upon authentication by the Registrar pursuant to Section 2.04 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Issuer by Supplemental Resolution, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at its own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in

exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

SECTION 2.06. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.06 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

SECTION 2.07. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER. (A) Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same Series and maturity of any other authorized denominations.

The Bonds issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

Each Bond shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the transfer of any such Bond, the Issuer shall issue, and cause to be authenticated, in the name of the

transferee a new Bond or Bonds of the same aggregate principal amount and Series and maturity as the surrendered Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if applicable, and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to any Series of Bonds, shall forthwith (A) on the day prior to an interest payment date for such Series; (B) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Bonds of such Series; and (C) at any other time as reasonably requested by the Paying Agent of such Series, certify and furnish to such Paying Agent the names, addresses and holdings of Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Issuer shall cause to be issued Bonds and the Registrar shall authenticate and deliver such Bonds in accordance with the provisions of this Resolution. Execution of Bonds by the Mayor and Clerk for purposes of exchanging, replacing or transferring Bonds may occur at the time of the original delivery of the Series of which such Bonds are a part. All Bonds surrendered in any such exchanges or transfers shall be held by the Registrar in safekeeping until directed by the Issuer to be destroyed or returned by the Registrar. For every such exchange or transfer of Bonds, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The Issuer and the Registrar shall not be obligated to make any such exchange or transfer of Bonds of any Series during the 15 days next preceding an Interest Date on the Bonds of such Series (other than Capital Appreciation Bonds and Variable Rate Bonds), or, in the case of any proposed redemption of Bonds of such Series, then, for the Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

The Issuer may elect to issue any Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by Supplemental

Resolution. Notwithstanding the foregoing, the Series 2015 Bond shall initially be held in certificated, physical form by the Purchaser and shall not be (i) held in book-entry form or registered with any securities depository, (ii) assigned a CUSIP number, (iii) assigned a separate rating by any Rating Agency or (iv) issued pursuant to any official statement, private placement memorandum or other offering document, in each case without the prior written consent of the Purchaser in its sole discretion.

(B) Notwithstanding any provision of Section 2.07(A) hereof to the contrary, the Purchaser shall have the right at any time to assign, transfer or convey the Series 2015 Bond or any interest therein or portion thereof, but no such assignment, transfer or conveyance shall be effective as against the Issuer unless and until the Purchaser has delivered to the Issuer written notice thereof that discloses the name and address of the assignee or the Loan Servicer (as hereafter provided) and such assignment, transfer or conveyance shall be made only to (i) an affiliate of the Purchaser or (ii) banks, insurance companies or other financial institutions or their affiliates. Nothing herein shall limit the right of the Purchaser or its assignees to sell or assign participation interests in the Series 2015 Bond to one or more entities listed in (i) or (ii), provided that any sale, assignment, conveyance, participation, custodial or similar agreement under which multiple ownership interests in the Series 2015 Bond are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the "Loan Servicer") to act on their behalf with respect to the rights and interests of the Purchaser under the Series 2015 Bond, including with respect to the exercise of rights and remedies of the Purchaser on behalf of such owners upon the occurrence of an event of default under the Series 2015 Bond. Simultaneously with any such transfer, the Purchaser (the transferor) shall transfer and assign to the successor (the transferee) all of its rights, title and interest in this Resolution. The Purchaser covenants that any such sale or transfer shall comply with all applicable laws and the Issuer shall incur no costs with respect to the Loan Servicer.

SECTION 2.08. FORM OF BONDS. The text of the Bonds, except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Resolution of the Issuer, shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Mayor or the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the Issuer's delivery of the Bonds to the purchaser or purchasers thereof):

No. R-

\$

**UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF ST. PETE BEACH, FLORIDA
STORMWATER IMPROVEMENT ASSESSMENT BOND,
SERIES**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
%	_____, ____	_____, ____	

Registered Holder:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, that the City of St. Pete Beach, Florida, a municipal corporation duly organized and validly existing under the laws of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest on such Principal Amount from the Date of Original Issue identified above or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum identified above on _____ and _____ of each year commencing _____ until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest and the premium, if any, on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount and the premium, if any, on this Bond, are payable, upon presentation and surrender hereof, at the designated corporate trust office of _____, _____, _____, as Paying Agent. Payment of each installment of interest shall be made to the person in whose name this Bond shall be registered on the registration books of the Issuer maintained by _____, _____, _____, as Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next

preceding each interest payment date and shall be paid by a check or draft of such Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$_____ (the "Bonds") of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued to _____, in and for the Issuer, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 166, Florida Statutes, the Charter of the Issuer, the Assessment Legislation (as defined in the hereinafter defined Resolution), and other applicable provisions of law, and Resolution No. 2015-06 duly adopted by the City Commission of the Issuer on May 12, 2015, as it may be amended and supplemented from time to time (the "Resolution"), and is subject to all the terms and conditions of the Resolution. Capitalized terms used herein that are not specifically defined shall have the meanings ascribed thereto in the Resolution.

This Bond and the interest hereon are payable solely from and secured by a lien upon and a pledge of (1) the Special Assessments Proceeds, and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder, except (A) as for the Rebate Fund, and (B) to the extent moneys on deposit in a subaccount of the Reserve Account shall be pledged solely for the payment of the Series of Bonds for which it was established in accordance with the provisions of the Resolution. The Issuer has also covenanted in the Resolution to budget and appropriate sufficient amounts of legally available Non-Ad Valorem Revenues to pay debt service on the Bonds to the extent that the Pledged Funds are insufficient therefor, but only to the extent and in the manner and subject to the restrictions provided in the Resolution.

It is expressly agreed by the Registered Holder of this Bond that the full faith and credit of the Issuer, the State of Florida, or any political subdivision thereof, are not pledged to the payment of the principal of, premium, if any, and interest on this Bond and that such Holder shall never have the right to require or compel the exercise of any taxing power of the Issuer, the State of Florida, or any political subdivision thereof, to the payment of such principal, premium, if any, and interest. This Bond and the obligation evidenced hereby shall not constitute a lien upon any property of the Issuer, but shall constitute a lien only on, and shall be payable solely from, the Pledged Funds in accordance with the terms of the Resolution and, to the extent required under the Resolution, this Bond shall also be payable from Non-Ad Valorem Revenues in the manner and to the extent provided in the Resolution. The Issuer may issue additional obligations on parity with the Bonds in accordance with the terms of the Resolution.

[The Issuer has established a book-entry system of registration for the Bonds. Except as specifically provided otherwise in the Resolution, an agent will hold this Bond on behalf of the beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, the beneficial owner of this Bond shall be deemed to have agreed to such arrangement.]

This Bond is transferable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the designated corporate trust office of the Registrar by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. The Bonds are issuable in the form of fully registered Bonds in the denomination of \$_____ and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer shall not be obligated to make any exchange or transfer of the Bonds during the 15 days next preceding an interest payment date or, in the case of any proposed redemption of the Bonds, then, for the Bonds subject to such redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing through such redemption date.

(INSERT REDEMPTION PROVISIONS)

Redemption of this Bond under the preceding paragraphs shall be made as provided in the Resolution upon notice given by first class mail sent at least 30 days prior to the redemption date to the Registered Holder hereof at the address shown on the registration books maintained by the Registrar; provided, however, that failure to mail notice to the Registered Holder hereof, or any defect therein, shall not affect the validity of the proceedings for redemption of other Bonds as to which no such failure or defect has occurred. In the event that less than the full principal amount hereof shall have been called for redemption, the Registered Holder hereof shall surrender this Bond in exchange for one or more Bonds in an aggregate principal amount equal to the unredeemed portion of principal, as provided in the Resolution.

[As long as the book-entry only system is used for determining beneficial ownership of the Bonds, notice of redemption will only be sent to Cede & Co. Cede & Co. will be responsible for notifying the DTC Participants, who will in turn be responsible for notifying the beneficial owners of the Bonds. Any failure of Cede & Co. to notify any DTC Participant, or of any DTC Participant to notify the beneficial owner of any such notice, will not affect the validity of the redemption of the Bonds.]

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, and the rights, duties, immunities and obligations of the Issuer.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

Neither the members of the Issuer's City Commission nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THE FRONT SIDE HEREOF.

[This Bond is one of a Series of Bonds which were validated by judgment of the Circuit Court of the Sixth Judicial Circuit of Florida, in and for Pinellas County, Florida, rendered on _____.]

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the City of St. Pete Beach, Florida has issued this Bond and has caused the same to be executed by the manual or facsimile signature of the Mayor and to be attested by the manual or facsimile signature of the City Clerk and its official seal or a facsimile thereof to be affixed or reproduced hereon, all as of the Date of Original Issue.

CITY OF ST. PETE BEACH, FLORIDA

(SEAL)

Mayor

ATTEST:

Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

Registrar

By:

Authorized Officer

[Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such name as requested by the authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has no interest herein.]

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Insert Social Security or Other Identifying Number of Assignee

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____
_____ as attorneys to register the
transfer of the said Bond on the books kept for registration thereof with full power of
substitution in the premises.

Dated: _____

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be 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

TEN ENT -- as tenants by the entirety

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

UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Transfers to Minors Act of _____
(State)

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

ARTICLE III REDEMPTION OF BONDS

SECTION 3.01. PRIVILEGE OF REDEMPTION. Except as otherwise provided herein or by Supplemental Resolution, the terms of this Article III shall apply to redemption of Bonds other than Capital Appreciation Bonds and Variable Rate Bonds. The terms and provisions relating to redemption of Capital Appreciation Bonds and Variable Rate Bonds shall be provided by Supplemental Resolution. The provisions of this Article III may also be modified pursuant to Supplemental Resolution to accommodate any redemption provisions with respect to Federal Subsidy Bonds or as may otherwise be deemed necessary or desirable with respect to a Series of Bonds.

SECTION 3.02. SELECTION OF BONDS TO BE REDEEMED. The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Issuer shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed and, if less than all of the Outstanding Bonds are to be redeemed, the particular maturities and portions thereof to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than 45 days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the Issuer by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5,000 and integral multiples thereof. Notwithstanding the foregoing, if less than all of a Term Bond is to be redeemed the aggregate principal amount to be redeemed shall be allocated to the Sinking Fund Installments on a pro-rata basis unless the Issuer, in its discretion, designates a different allocation.

If less than all of the Outstanding Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the Issuer and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

SECTION 3.03. NOTICE OF REDEMPTION. Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Issuer, and (A) shall be filed with the Paying Agents of such Bonds, (B) shall be mailed first class, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice, and (C) shall be mailed, certified mail, postage prepaid, at least 35 days prior to the redemption date to the registered securities depositories and one or more nationally recognized

municipal bond information services as hereinafter provided in this Section 3.03. Failure to mail such notice to such depositories or services or the Holders of the Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Bonds as to which no such failure or defect has occurred. Such notice shall also be mailed to the Insurer or Credit Bank, if any, of such redeemed Bonds. Failure of any Holder to receive any notice mailed as herein provided shall not affect the proceedings for redemption of such Holder's Bonds. Notice of optional redemption of Bonds shall only be sent if the Issuer reasonably determines it shall have sufficient funds available to pay the Redemption Price of and interest on the Bonds called for redemption on the redemption date.

Each notice of redemption shall state: (1) the CUSIP numbers, if any, and any other distinguishing number or letter of all Bonds being redeemed, (2) the original issue date of such Bonds, (3) the maturity date and rate of interest borne by each Bond being redeemed, (4) the redemption date, (5) the Redemption Price, (6) the date on which such notice is mailed, (7) if less than all Outstanding Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, (9) that the Bonds to be redeemed, whether as a whole or in part, are to surrendered for payment of the Redemption Price at the designated office of the Registrar at an address specified, (10) the name and telephone number of a person designated by the Registrar to be responsible for such redemption, (11) unless sufficient funds have been set aside by the Issuer for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption, and (12) any other conditions that must be satisfied prior to such redemption.

The Issuer may provide that a redemption may be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Bondholders as soon as practicable.

SECTION 3.04. REDEMPTION OF PORTIONS OF BONDS. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same interest rate and maturity, and of any authorized denomination as

requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

SECTION 3.05. PAYMENT OF REDEEMED BONDS. Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. All Bonds which have been redeemed shall be cancelled by the Registrar and shall not be reissued.

SECTION 3.06. PURCHASE IN LIEU OF OPTIONAL REDEMPTION. Notwithstanding anything in this Resolution to the contrary, at any time the Bonds are subject to optional redemption pursuant to this Resolution, all or a portion of the Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Paying Agent, as trustee, at the direction of the Issuer, on the date which would be the redemption date if such Bonds were redeemed rather than purchased in lieu thereof, at a purchase price equal to the Redemption Price which would have been applicable to such Bonds on the redemption date for the account of and at the direction of the Issuer who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by an opinion of Bond Counsel to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such Bonds or any other Outstanding Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Bonds in lieu of optional redemption, no notice to the holders of the Bonds to be so purchased (other than the notice of redemption otherwise required under this Resolution) shall be required, and the Paying Agent, as trustee, shall be authorized to apply to such purchase the funds which would have been used to pay the Redemption Price for such Bonds if such Bonds had been redeemed rather than purchased. Each Bond so purchased shall not be canceled or discharged and shall be registered in the name of the Issuer. Bonds to be purchased under this Resolution in the manner set forth above which are not delivered to the Paying Agent, as trustee, on the purchase date shall be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former holder thereof on the purchase date.

ARTICLE IV SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

SECTION 4.01. BONDS NOT TO BE INDEBTEDNESS OF ISSUER. The Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds in accordance with the terms of this Resolution, and to the extent provided under Section 4.09 hereof, the Bonds shall be payable from Non-Ad Valorem Revenues to the extent and in the manner provided in Section 4.09 hereof. No Holder of any Bond or any Credit Bank or Insurer shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any moneys of the Issuer except from the Pledged Funds and Non-Ad Valorem Revenues in the manner provided herein.

SECTION 4.02. SECURITY FOR BONDS. The payment of the principal of or Redemption Price, if applicable, and interest on the Bonds shall be secured forthwith equally and ratably by a senior pledge of and lien upon the Pledged Funds; provided, however, a Series of Bonds may be further secured by a Credit Facility or Bond Insurance Policy in addition to the security provided herein; and provided further that a Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a separate subaccount in the Reserve Account for such Series of Bonds or by not being secured in any manner by the Reserve Account as provided herein or in a Supplemental Resolution. Issuers of a Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be secured in accordance with the provisions hereof. In addition, the Issuer does hereby irrevocably pledge and grant a lien upon the Pledged Funds to the payment of the Policy Costs in accordance with the provisions hereof; provided, however, such pledge and lien shall be junior and subordinate in all respects to the pledge of and lien upon such Pledged Funds granted hereby to the Bondholders. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds in accordance with the provisions hereof. Except as otherwise provided by Supplemental Resolution, the obligation of the Issuer to make Hedge Payments to a Counterparty pursuant to a Qualified Hedge Agreement shall be on parity with the Bonds as to lien on and pledge of the Pledged Funds in accordance with the terms hereof (any other payments related to a Qualified Hedge Agreement, including fees, penalties, termination payments and the obligation to collateralize, shall be Subordinated Indebtedness of the Issuer).

The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer. The Pledged Funds constitute "receipts derived from the ownership, operation, or disposition of projects or systems of the Issuer that are primarily used or

intended to be used primarily to provide transportation, utility, or other services" of the Issuer as described in 11 U.S.C. § 902(2)(A) and "other revenues or receipts derived from particular functions" of the Issuer as described in 11 U.S.C. § 902(2)(D). It is accordingly the intention of the Issuer that the pledge of such Pledged Funds constitutes a pledge of "special revenues" as described in 11 U.S.C. § 901, et seq.

Except as provided herein, the Issuer shall not directly or indirectly create, incur, assume, permit or suffer to exist, and, at its own cost and expense, promptly remove and shall discharge any lien, encumbrance or charge upon the Pledged Funds (other than as provided in this Resolution), and the Issuer shall take all such action as may be necessary to protect and defend the title and interest of the Issuer in and to the System, and the pledge and lien on the Pledged Funds provided under this Resolution from any such liens, encumbrances and charges.

SECTION 4.03. CONSTRUCTION FUND. The Issuer covenants and agrees to establish, a special fund to be known as the "City of St. Pete Beach, Florida Stormwater Improvement Assessment Bond Construction Fund," which shall be used only for payment of the Costs of Projects. Moneys in the Construction Fund, until applied in payment of any item of the Cost of a Project in the manner hereinafter provided, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of this Resolution, and there may be paid into the Construction Fund, at the option of the Issuer, any moneys received for or in connection with a Project by the Issuer from any other source. The Issuer shall establish within the Construction Fund a separate account for each Project, the Cost of which is to be paid in whole or in part out of the Construction Fund. Accordingly, there is hereby established within the Construction Fund a separate account with respect to the Series 2015 Project to be deemed the "Series 2015 Project Account."

The proceeds of insurance maintained pursuant to this Resolution against physical loss of or damage to a Project, or of contractors' performance bonds with respect thereto pertaining to the period of construction thereof, shall be deposited into the appropriate account of the Construction Fund.

Any moneys received by the Issuer from the State or from the United States of America or any agencies thereof for the purpose of financing part of the Cost of a Project shall be deposited into the appropriate account of the Construction Fund and used in the same manner as other Bond proceeds are used therein; provided that separate accounts or subaccounts may be established in the Construction Fund for moneys received pursuant to the provisions of this paragraph whenever required by Federal or State law.

The Issuer covenants that the acquisition, construction and installation of each Project will be completed without delay and in accordance with sound engineering practices. The Issuer shall make disbursements or payments from the applicable account of the Construction Fund to pay Costs of the Project for which it was established, except as otherwise provided below. The Issuer shall keep records of such disbursements and payments and shall retain all such records for such period of time as required by applicable law. The Issuer shall make available the records at all reasonable times for inspection by any Holder of any of the Bonds or the agent or representative of any Holder of any of the Bonds.

Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in an account of the Construction Fund shall be applied to the payment of principal and interest on Bonds.

The date of completion of the acquisition, construction and equipping of a Project shall be documented by an Authorized Issuer Officer in the appropriate records of the Issuer. Promptly after the date of the completion of a Project, and after paying or making provision for the payment of all unpaid items of the Cost of such Project, the Issuer shall deposit in the following order of priority any balance of moneys remaining in an account in the Construction Fund in (A) another account of the Construction Fund for which the Commission has determined that there are insufficient moneys present to pay the Cost of the related Project, (B) the Reserve Account, to the extent of a deficiency therein, and (C) such other fund or account established hereunder as shall be determined by the Issuer or for any other lawful purpose, provided the Issuer has received the prior approval of Bond Counsel to the effect that such deposit shall not adversely affect the exclusion, if any, of interest on the Bonds (other than Taxable Bonds) from gross income for purposes of Federal income taxation or shall not otherwise affect the status of any Outstanding Bonds issued as Federal Subsidy Bonds or the Issuer's receipt of Federal Subsidy Payments with respect to any Outstanding Federal Subsidy Bonds.

SECTION 4.04. FUNDS AND ACCOUNTS. The following funds and accounts are hereby established: "City of St. Pete Beach Stormwater Improvement Assessment Bonds Revenue Fund," the "City of St. Pete Beach Stormwater Improvement Assessment Bonds Debt Service Fund," and the "City of St. Pete Beach Stormwater Improvement Assessment Bonds Rebate Fund." The Issuer shall maintain in the Revenue Fund two accounts: the "Assessment Account" and the "Expense Account." The Issuer shall maintain in the Debt Service Fund four accounts: the "Interest Account," the "Principal Account," the "Term Bonds Redemption Account," and the "Reserve Account." Moneys in the aforementioned funds and accounts, other than the Rebate Fund, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders, to the extent provided herein.

The Issuer may at any time and from time to time appoint one or more depositories to hold, for the benefit of the Bondholders, any one or more of the funds, accounts and subaccounts established hereby. Such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and be qualified under applicable State law as a depository.

Notwithstanding the foregoing, none of the aforementioned funds and accounts is required to be established prior to the time any such fund or account is required to be funded or otherwise utilized hereunder.

SECTION 4.05. DISPOSITION OF SPECIAL ASSESSMENT PROCEEDS. (A) All Special Assessments Proceeds shall be deposited, as received, into the Assessment Account of the Revenue Fund. Promptly upon receipt of moneys in the Assessment Account, the Issuer shall apply such moneys in the following manner and in the following order of priority:

(1) Expense Account. The Issuer shall deposit into the Expense Account any expenses incurred in connection with the collection of the Assessments or Delinquent Assessments or Prepayments and other administrative expenses relating to the Bonds or the Assessments; all such fees and expenses shall be limited to reasonable fees and expenses. Moneys on deposit in the Expense Account shall also be used to pay principal of and interest on the Bonds (whether at maturity or by redemption) in the event there is a deficiency in the Principal, Interest or Term Bonds Redemption Accounts and the funds in the Reserve Account are insufficient to make up such deficiency.

(2) Interest Account. The Issuer shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all Bonds Outstanding (except as to Capital Appreciation Bonds) accrued and unpaid and to accrue to the end of the then current calendar month. All Hedge Receipts and Federal Subsidy Payments shall be deposited directly to the Interest Account upon receipt. With respect to interest on Bonds which have corresponding Hedge Payments, interest on such Bonds during the term of the Qualified Hedge Agreement shall also be deemed to include the corresponding Hedge Payments. Moneys in the Interest Account shall be applied by the Issuer (a) for deposit with the Paying Agents to pay the interest on the Bonds on or prior to the date the same shall become due and (b) for Hedge Payments. Any Federal Subsidy Payments deposited to the Interest Account shall be deemed to have been

applied to the payment of interest on the Federal Subsidy Bonds to which such Payments relate. The Issuer shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date. With respect to Debt Service on any Bonds which are subject to a Qualified Hedge Agreement, any Hedge Payments due to the Counterparty to the Qualified Hedge Agreement relating to such Bonds shall be paid to such Counterparty on a parity basis with the aforesaid required payments into the Sinking Fund. In computing the interest on Variable Rate Bonds which shall accrue during a calendar month, the interest rate on such Variable Rate Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 24 months prior to the commencement of such calendar month, the highest average interest rate borne by such Variable Rate Bonds for any 30-day period, and (B) if such Variable Rate Bonds have not been Outstanding for at least 24 months prior to the date of calculation, the Bond Buyer Revenue Bond Index most recently published prior to the commencement of such calendar month.

(3) Principal Account. Commencing no later than the month which is one year prior to the first principal payment date, the Issuer shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amounts on all Bonds Outstanding due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of 12 equivalent calendar months having 30 days each), except for the Sinking Fund Installments to be deposited pursuant to Section 4.05(B)(4) hereof, in equal amounts from the next preceding principal payment due date, or, if there be no such preceding principal payment due date from a date no later than one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Issuer for deposit with the Paying Agents to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the years in which such Bonds mature and monthly payments into the Principal Account on account of such Bonds shall commence in the twelfth month immediately preceding the maturity date of such Bonds. The Issuer shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the

moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(4) Term Bonds Redemption Account. Commencing in the month which is one year prior to the first Sinking Fund Installment due date, there shall be deposited to the Term Bonds Redemption Account the sum which, together with the balance in such Account, shall equal the Sinking Fund Installments on all Bonds Outstanding due and unpaid and that portion of the Sinking Fund Installments of all Bonds Outstanding next due which would have accrued on such Bonds during the then current calendar month if such Sinking Fund Installments were deemed to accrue monthly (assuming that a year consists of 12 equivalent calendar months having 30 days each) in equal amounts from the next preceding Sinking Fund Installment due date, or, if there is no such preceding Sinking Fund Installment due date, from a date not later than one year preceding the due date of such Sinking Fund Installment. Moneys in the Term Bonds Redemption Account shall be used to purchase or redeem Term Bonds in the manner herein provided, and for no other purpose. Term Capital Appreciation Bonds shall be payable from the Term Bonds Redemption Account in the years in which such Bonds mature and monthly payments into the Term Bonds Redemption Account on account of such Bonds shall commence in the twelfth month immediately preceding the due date of the related Sinking Fund Installments. The Issuer shall adjust the amount of the deposit to the Term Bonds Redemption Account on the month immediately preceding any Sinking Fund Installment due date so as to provide sufficient moneys in the Term Bonds Redemption Account to pay the Sinking Fund Installments becoming due on such date. Payments to the Term Bonds Redemption Account shall be on parity with payments to the Principal Account.

Amounts accumulated in the Term Bonds Redemption Account with respect to any Sinking Fund Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Sinking Fund Installment was established) may be applied by the Issuer, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms. Amounts in the Term Bonds Redemption Account which are used to redeem Term Bonds shall be credited against the next succeeding Sinking Fund Installment which shall become due on such Term Bonds. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Term Bonds Redemption Account until such Sinking Fund Installment due date, for the purposes of calculating the amount of such Account. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the

Issuer shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.03 hereof, Term Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Term Bonds maturing on a Sinking Fund Installment due date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Issuer shall pay out of the Term Bonds Redemption Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the Issuer from the Operation and Maintenance Fund.

(5) Reserve Account. There shall be deposited to the Reserve Account an amount which would enable the Issuer to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto. All deficiencies in the Reserve Account must be made up no later than 12 months from the date such deficiency first occurred, whether such shortfall was caused by an increase in the applicable Reserve Account Requirement, a decrease in the aggregate market value of the investments therein of more than 5% or withdrawal (whether from cash or a Reserve Account Insurance Policy or Reserve Account Letter of Credit). On or prior to each principal payment date and Interest Date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Reserve Account shall be applied by the Issuer to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Term Bonds Redemption Account shall be insufficient for such purpose. Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement or as a result of a deposit in the Reserve Account of a Reserve Account Letter of Credit or a Reserve Account Insurance Policy, such surplus moneys, to the extent practicable, shall be applied as directed by Bond Counsel. The Issuer shall promptly inform each Insurer and Credit Bank of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as herein provided, the Issuer shall fund the Reserve Account in an amount at least equal to the applicable Reserve Account Requirement to the extent such Series of Bonds are to be secured by the Reserve Account or any subaccount therein; provided, however, nothing herein shall be construed to require the Issuer to fund the Reserve Account or any subaccount for any Series of Bonds. Upon the

adoption of the Supplemental Resolution authorizing the issuance of a Series of Bonds, the Issuer shall determine whether such Series of Bonds shall be secured by the Reserve Account or any subaccount therein and, if the Issuer determines that the Series of Bonds will be secured by a separate subaccount therein, the Issuer shall also establish the Reserve Account Requirement applicable thereto. Such required amount, if any, shall be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the Reserve Account or subaccount therein over a period of months from the date of issuance of such Series of Bonds, which shall not exceed 36 months.

Notwithstanding the foregoing provisions, in lieu of or in substitution of any required deposits into the Reserve Account or any subaccount therein, the Issuer may cause to be deposited into the Reserve Account or subaccount a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account or subaccount, if any. The Issuer may also substitute a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for cash on deposit in the Reserve Account or a subaccount therein upon compliance with the terms of this Section 4.05(B)(4). Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any Interest Date or redemption date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Resolution and available for such purpose. Upon the initial deposit of any such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit, the provider thereof shall be either (a) an insurer whose municipal bond insurance policies insuring the payment, when due, or the principal of and interest on municipal bond issues results in such issues being rated in one of the three highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"), or (b) a commercial bank, insurance company or other financial institution which has been assigned a rating in one of the two highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"). Any Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall equally secure all Bonds secured by the Reserve Account or subaccount into which such Policy or Letter of Credit is deposited.

Each Reserve Account Insurance Policy and Reserve Account Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the provider of the Reserve Account Insurance Policy or Reserve Account

Letter of Credit to reimbursement will be subordinated to cash replenishment of the Reserve Account or subaccount to an amount equal to the difference between the full original amount available under the Reserve Account Insurance Policy or Reserve Account Letter of Credit and the amount then available for further draws or claims. If (a) the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent or (b) the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations thereunder or (c) the rating of the provider of a Reserve Account Insurance Policy falls below a rating of "A-" or "A3" by all of the Rating Agencies then rating such provider or (d) the rating of the provider of a Reserve Account Letter of Credit falls below a rating of "AA-" or "Aa3" by all of the Rating Agencies, the obligation to reimburse the provider of the Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account or subaccount. Where applicable, the amount available for draws or claims under a Reserve Account Insurance Policy or Reserve Account Letter of Credit may be reduced by the amount of cash or investments deposited in the Reserve Account or subaccount pursuant to the provisions hereof.

If the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or if the Reserve Account Insurance Policy or Reserve Account Letter of Credit is no longer valid and enforceable, the Issuer shall either (i) deposit into the Reserve Account or subaccount an amount sufficient to cause the cash or investments on deposit in the Reserve Account or applicable subaccount to equal the Reserve Account Requirement on all Outstanding Bonds then secured by such Reserve Account or subaccount, such amount to be paid over the ensuing five years in equal installments deposited at least semi-annually or (ii) replace such instrument with a Reserve Account Insurance Policy or a Reserve Account Letter of Credit meeting the requirements described herein within six months of such occurrence.

If three days prior to an Interest Date or principal payment date, or such other period of time as shall be required by the terms of the Reserve Account Insurance Policy or Reserve Account Letter of Credit, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on the Bonds on such date, the Issuer shall immediately notify (a) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit, (b) the Paying Agent, and (c) the Insurer or Credit Bank, if any, of the amount of such deficiency and the date on which such payment is due.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory Bond or other evidence therefor; provided, however, any such Bond or evidence (a) shall not be a general obligation of the Issuer the payment of which is secured by the full faith and credit or taxing power of the Issuer, and (b) shall be payable solely from the Pledged Funds in the manner provided herein. The obligation to reimburse the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit for any Policy Costs shall be subordinate to the payment of Debt Service on the Bonds.

The term "Paying Agent" as used in this Section 4.05(B)(5) may include one or more Paying Agents for the Outstanding Bonds.

Whenever the amount of cash in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Sinking Fund for the payment of the Bonds.

The Issuer may also establish a separate subaccount in the Reserve Account for any Series of Bonds and such subaccount shall be pledged to the payment of such Series of Bonds apart from the pledge provided herein. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Account Requirement relating to such separate subaccount of the Reserve Account at such level as the Issuer deems appropriate. In the event the Issuer establishes the Reserve Account Requirement for a particular Series of Bonds to be zero (0.00) or it shall determine that such Series are not to be secured in any manner by the Reserve Account or a subaccount, then it shall not be required to establish a separate subaccount; provided, however, such Series of Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account. Moneys used to replenish the Reserve Account shall be deposited in the separate subaccounts in the Reserve Account and in the Reserve Account on a pro-rata basis.

The Reserve Account Requirement with respect to the Series 2015 Bond shall be \$0.00 and the Series 2015 Bond shall not be secured by the Reserve Account or any separate subaccount therein.

In the event the Issuer shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in the Reserve Account or any subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance Policy or Reserve Account Letter of Credit. The provisions of the Debt Service Reserve Account Policy Agreements, when executed and delivered, shall be incorporated herein by reference. The provisions of such Agreements shall supersede the provisions hereof to the extent of any conflict herewith provided that payments to any Credit Bank or Insurer may not be senior to payments required to be made to Bondholders hereunder.

(6) Excess Special Assessment Proceeds. The balance of any Special Assessment Proceeds shall be held by the Issuer and applied for any lawful purpose of the System, including but not limited to making required deposits to the Rebate Fund, paying operating and capital expenses of the System and redeeming Bonds. Any such excess Special Assessment Proceeds shall be applied to pay debt service on the Bonds to the extent of any deficiency in any of the foregoing funds and accounts.

(B) Whenever moneys on deposit in the Debt Service Fund are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), no further deposits to the Debt Service Fund need be made. If on any payment date the Special Assessment Proceeds is insufficient to deposit the required amount in any of the funds or accounts or for any of the purposes provided above, the deficiency shall be made up on the subsequent payment dates.

The Issuer, in its discretion, may use moneys in the Principal Account and the Interest Account to purchase or redeem Bonds coming due on the next principal payment date, provided such purchase or redemption does not adversely affect the Issuer's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased or redeemed.

(C) In the event the Issuer shall issue a Series of Bonds secured by a Credit Facility, the Issuer may establish separate subaccounts in the Interest Account, the Principal Account and the Term Bonds Redemption Account to provide for payment of the principal of and interest on such Series; provided payment from the Pledged Funds or Non-Ad Valorem Revenues of one Series of Bonds shall not have preference over payment of any other Series of Bonds. The Issuer may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in Section 4.05(A) as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds.

In the case of Bonds secured by a Credit Facility, amounts on deposit in the Debt Service Fund may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Bank for amounts drawn under such Credit Facility to pay the principal of, premium, if any, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the holders thereof for payment; provided such Credit Facility shall have no priority over Bondholders or an Insurer to amounts on deposit in the Debt Service Fund. Other payments due to a Credit Bank in relation to obligations arising under its Credit Facility may be on parity with the Bonds as to source of and security for payment to the extent provided in the Supplemental Resolution relating thereto.

SECTION 4.06. REBATE FUND. Amounts on deposit in the Rebate Fund shall be held in trust by the Issuer and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Issuer) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. For any Series of Bonds for which the rebate requirements of Section 148(f) of the Code are applicable, the Issuer agrees to undertake all actions required of it in its arbitrage certificate related to such Series of Bonds, including, but not limited to:

(A) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the Issuer such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(D) keeping such records of the determinations made pursuant to this Section 4.06 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Bonds.

The provisions of the above-described arbitrage certificate may be amended without the consent of any Holder, Credit Bank or Insurer from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

SECTION 4.07. INVESTMENTS. Moneys on deposit in the Construction Fund, the Revenue Fund and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund, the Revenue Fund and the Debt Service Fund, other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will

be needed for the purposes of such fund or account. Moneys on deposit in the Reserve Account may be invested or reinvested in Authorized Investments which shall mature no later than ten years from the date of investment. All investments shall be valued at cost; provided, that the amounts on deposit in the Reserve Account shall be valued at the market price thereof. Investments in the Reserve Account shall be valued by the Issuer on an annual basis of September 30 of each year.

Any and all income received by the Issuer from the investment of moneys in each account of the Construction Fund, the Revenue Fund, the Interest Account, and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement applicable thereto), shall be retained in such respective Fund or Account. Any and all income received by the Issuer from the investment of moneys in the Reserve Account (only to the extent such income and other amounts in the Reserve Account exceeds the Reserve Account Requirement), the Principal Account and the Term Bonds Redemption Account shall be deposited in the Interest Account.

Nothing contained in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

SECTION 4.08. SEPARATE ACCOUNTS. The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established herein may be deposited in a single bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as herein provided.

The designation and establishment of the various funds, accounts and subaccounts 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 for certain purposes and to establish certain priorities for application of such revenues as herein provided.

SECTION 4.09. COVENANT TO BUDGET AND APPROPRIATE. The Issuer covenants and agrees that, in the event the Pledged Funds (excluding the Reserve Account) are insufficient to pay scheduled debt service on the Bonds as provided in this Resolution, it shall appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues amounts sufficient to pay principal of and interest on the Bonds when due and shall apply such appropriated Non-Ad Valorem Revenues to the payment of debt service on the Bonds prior to drawing on any amounts on deposit in the

Reserve Account or drawing against any Reserve Account Insurance Policy or Reserve Account Letter of Credit on deposit in the Reserve Account. Such covenant and agreement on the part of the Issuer 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 Issuer, the Issuer does not covenant to maintain any services or programs, now provided or maintained by the Issuer, 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 Issuer from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Issuer to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Bondholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Issuer. Such covenant to 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 hereafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate for the purposes and in the manner stated herein shall have the effect of making available for the payment of the Bonds, in the manner and to the extent provided herein, Non-Ad Valorem Revenues and placing on the Issuer a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations hereunder; subject, however, in all respects to the restrictions of Section 166.241(3), Florida Statutes, which generally provide that the Commission of each municipality may only 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 of services and programs which are for essential public purposes affecting the health, safety and welfare of the inhabitants of the Issuer or which are legally mandated by applicable law.

ARTICLE V
SUBORDINATED INDEBTEDNESS, ADDITIONAL BONDS, AND COVENANTS
OF ISSUER

SECTION 5.01. SUBORDINATED INDEBTEDNESS. The Issuer will not issue any other obligations, except under the conditions and in the manner provided herein, payable from the Pledged Funds (or any portion thereof) or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon. The Issuer may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of the Pledged Funds and which may be secured by a pledge of such Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Resolution and provided further that the issuance of such Subordinated Indebtedness shall be subject to any provisions contained in financing documents securing outstanding Subordinated Indebtedness to the extent such provisions impact on the ability of the Issuer to issue Subordinated Indebtedness. The Issuer shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued pursuant to Section 5.02 hereof. The Issuer agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

SECTION 5.02. ISSUANCE OF ADDITIONAL BONDS. No Additional Bonds, payable on parity with the Bonds then Outstanding pursuant to this Resolution, shall be issued except upon the conditions and in the manner herein provided. The Issuer may issue one or more Series of Additional Bonds for any one or more of the following purposes: (i) financing or refinancing the Cost of a Project, or the completion thereof, or (ii) refunding any or all Outstanding Bonds, any Subordinated Indebtedness of the Issuer, or any other indebtedness of the Issuer that it may lawfully refund with proceeds of Bonds.

No such Additional Bonds shall be issued unless the following conditions are complied with:

(A) Except as otherwise provided in Section 5.02(F) hereof, there shall have been obtained and filed with the Issuer and the Purchaser a statement of an Authorized Issuer Officer: (1) stating that the books and records of the Issuer relating to the Special Assessment Proceeds have been examined by him; (2) setting forth the amount of Special Assessment Proceeds received by the Issuer during the immediate prior Fiscal Year; and (3) stating that the amount of the Special Assessment Proceeds received during such prior Fiscal Year equals at least 1.15 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional Bonds with respect to which such statement is made.

(B) In the event the Issuer has increased the rate at which Special Assessment Proceeds are imposed and such increased rate was not in effect during the immediate prior Fiscal Year, then for the purposes of determining whether there are sufficient Special Assessment Proceeds to meet the coverage test specified in Section 5.02(A) hereof, the Authorized Issuer Officer shall adjust the amount of Special Assessment Proceeds which were received during such prior Fiscal Year to take into account the additional amount of Special Assessment Proceeds such increased rate would have generated if it had been in effect for such prior Fiscal Year; provided, however, that such adjustment shall only be made if the rate has been increased prior to the date the statement of the Authorized Issuer Officer referred to in Section 5.02(A) hereof is made and such rate will remain in effect at least until the final maturity of the Bonds Outstanding at the time of issuance of the Additional Bonds.

(C) For the purpose of determining the Debt Service under this Section 5.02, the interest rate on additional parity Variable Rate Bonds then proposed to be issued shall be deemed to be the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(D) For the purpose of determining the Debt Service under this Section 5.02, the interest rate on Outstanding Variable Rate Bonds shall be deemed to be (1) if such Variable Rate Bonds have been Outstanding for at least 24 months prior to the date of sale of such Additional Bonds, the highest average interest rate borne by such Variable Rate Bonds for any 30-day period, or (2) if such Variable Rate Bonds have not been Outstanding for at least 24 months prior to the date of sale of such Additional Bonds, the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(E) Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and all other covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and securing of the Holders of all Bonds issued pursuant to this Resolution. Except as provided in Sections 4.02 and 4.05 hereof, all Bonds regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other.

(F) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of this Section 5.02 hereof shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of aggregate debt service. The conditions of Section 5.02(A) hereof shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

SECTION 5.03. BOND ANTICIPATION NOTES. The Issuer may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Resolution, as shall be provided by resolution of the Issuer.

SECTION 5.04. ACCESSION OF SUBORDINATED INDEBTEDNESS TO PARITY STATUS WITH BONDS. The Issuer may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the Issuer shall meet all the requirements imposed upon the issuance of Additional Bonds by Section 5.02 hereof, assuming, for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds, and (B) if such Subordinated Indebtedness will be secured in any manner by the Reserve Account or a subaccount therein, the Reserve Account, upon such accession, shall contain an amount equal to the Reserve Account Requirement in accordance with Section 4.05(A)(5) hereof. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in this Resolution.

SECTION 5.05. BOOKS AND RECORDS. The Issuer will keep books and records of the receipt of the Special Assessment Proceeds in accordance with generally accepted accounting principles, and any Credit Bank, Insurer, or Holder or Holders of Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the Issuer relating thereto.

SECTION 5.06. ANNUAL AUDIT. The Issuer shall, immediately after the close of each Fiscal Year, cause the financial statements of the Issuer to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. The annual financial statement shall be prepared in conformity with generally accepted accounting principles consistently applied. A copy of the audited financial statements for each Fiscal Year shall be furnished to each Credit Bank or Insurer. The Issuer shall be permitted to make a reasonable charge for furnishing such audited financial statements.

SECTION 5.07. ANNUAL BUDGET. The Issuer shall annually prepare and adopt, prior to the beginning of each Fiscal Year, an Annual Budget in accordance with applicable law. If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any Fiscal Year, the Annual Budget for the preceding Fiscal Year shall be deemed to be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year is adopted.

The Issuer shall mail copies of or make available such Annual Budgets and amended Annual Budgets and all resolutions authorizing increased expenditures for Operating Expenses to any Credit Bank or Insurer of Bonds who shall file its address with the Clerk and request in writing that copies of all such Annual Budgets and resolutions be furnished to it and shall make available all such Annual Budgets and resolutions and ordinances authorizing increased expenditures for Operating Expenses of the System at all reasonable times to any Holder or Holders of Bonds or to anyone acting for and on behalf of such Holder or Holders.

SECTION 5.08. NO IMPAIRMENT. The pledging of the Pledged Funds in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution or other proceedings of the Commission, except as otherwise provided herein. The Issuer shall not amend the Assessment Legislation in any manner that would adversely affect the rights of the Bondholders.

SECTION 5.09. ENFORCEMENT OF PAYMENT OF SPECIAL ASSESSMENT PROCEEDS. The Issuer covenants to do all things necessary or required on its part by this Resolution and the Assessment Legislation, the Act or other applicable provisions of law, to maintain the levy of the Assessments and the collection and receipt of the Special Assessment Proceeds by the Issuer in the manner prescribed by this Resolution, the Assessment Legislation and all other resolutions, ordinances or laws appertaining thereunto. The Issuer covenants to adopt each year an Annual Assessment Resolution in order to impose and levy Assessments for the ensuing Fiscal Year sufficient to pay all amounts payable from Pledged Funds. The Issuer shall deposit the Special Assessment Proceeds, as received into the Assessment Account of the Revenue Fund. Absent a default or delinquency in the payment of any Assessment, nothing herein shall require the prepayment of any installment due on an Assessment prior to its due date, except as otherwise provided by the Assessment Legislation. The Issuer shall levy the Assessments to the full extent permitted by law and the Assessment Legislation. The Issuer shall cause the Special Assessment Proceeds to be collected pursuant to the Uniform Assessment Collection Act (as defined in the Assessment Legislation).

The Issuer shall diligently enforce all of the provisions of the Assessment Legislation to ensure its receipt of the Special Assessment Proceeds in amounts sufficient to pay the scheduled debt service on the Bonds and all other amounts due under this Resolution. Each Fiscal Year the Issuer shall adopt an Annual Assessment Resolution in accordance with the Assessment Legislation and applicable law in order to provide for the levy and collection of Assessments for the subsequent Fiscal Year in an amount sufficient to pay all amounts payable from Pledged Funds during such subsequent Fiscal Year.

The Issuer shall impose Assessments against all properties that are specially benefitted by the System in the manner and to the extent provided in the Assessment Legislation.

SECTION 5.10. RE-ASSESSMENTS. If any Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer shall be satisfied that any such Assessment is so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have omitted to make such Assessment when it might have done so, the Issuer shall either (A) take all necessary steps to cause a new Assessment to be made for the whole or any part of said service or improvement or against any real property benefitted by said service or improvement, or (B) in its sole discretion, make up the amount of such Assessment from legally available moneys, which moneys shall be deposited into the Assessment Account.

SECTION 5.11. COVENANTS WITH CREDIT BANKS AND INSURERS. The Issuer may make such covenants as it may, in its sole discretion, determine to be appropriate with any Insurer, Credit Bank or other financial institution that shall agree to insure or to provide for Bonds of any one or more Series credit or liquidity support that shall enhance the security or the value of such Bonds. Such covenants may be set forth in the applicable Supplemental Resolution and shall be binding on the Issuer, the Registrar, the Paying Agent and all the Holders of Bonds the same as if such covenants were set forth in full in this Resolution, provided such covenants shall not diminish or have priority over the security for any of the Bonds Outstanding.

SECTION 5.12. FEDERAL INCOME TAX COVENANTS; TAXABLE BONDS. The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds), that it shall not use the proceeds of such Series of Bonds in any manner which would cause the interest on such Series of Bonds to be or become includable in gross income for purposes of federal income taxation.

The Issuer covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of such Series of Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series of Bonds to be "arbitrage bonds" within the meaning of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on such Series of Bonds to become includable in gross income for purposes of federal income taxation.

The Issuer hereby covenants with the Holders of each Series of Bonds (other than Taxable Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

The Issuer may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is (or may be) includable in the gross income of the Holder thereof for federal income taxation purposes, so long as each Bond of such Series states in the body thereof that interest payable thereon is (or may be) subject to federal income taxation and provided that the issuance thereof will not cause the interest on any other Bonds theretofore issued hereunder to be or become subject to federal income taxation. The covenants set forth in this Section 5.12 shall not apply to any Taxable Bonds.

SECTION 5.13. INSURANCE; REGULATORY COMPLIANCE. (A) The Issuer will carry such insurance as is ordinarily carried by private or public entities owning and operating utilities similar to the System with a reputable insurance carrier or carriers, in such amounts as the Issuer shall determine to be sufficient and such other insurance against loss or damage by fire, explosion, hurricane, tornado or other hazards and risks, and said property loss or damage insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System, or such other amount or amounts as an insurance consultant who has a favorable reputation and experience and is qualified to survey risks and to recommend insurance coverage for Persons engaged in operations similar to the System, shall recommend or approve as sufficient.

The Issuer may establish certain levels of insurance for which the Issuer may self-insure. Such levels of insurance shall be in amounts as recommended by an insurance consultant who has a favorable reputation and experience and is qualified to survey risks and to recommend insurance coverage for Persons engaged in operations similar to the System.

(B) The Issuer will comply in all respects with all regulatory requirements applicable to the System and shall maintain all required permits and licenses necessary for the continued operation of the System.

ARTICLE VI DEFAULTS AND REMEDIES

SECTION 6.01. EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of or Sinking Fund Installment, redemption premium or interest on any Bond when due. In determining whether a payment default has occurred, no effect shall be given to payment made under a Bond Insurance Policy.

(B) There shall occur the dissolution or liquidation of the Issuer or the System, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer or the System as a bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver, emergency manager, liquidator or similar official for the Issuer or the System, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) Except as otherwise provided herein, the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of 90 days after written notice of such default shall have been received from the Holders of not less than 25% of the aggregate principal amount of Bonds Outstanding. Notwithstanding the foregoing, the Issuer shall not be deemed to be in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until default has been corrected.

SECTION 6.02. REMEDIES. Any Holder of Bonds issued under the provisions of this Resolution or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof; provided, however, that no Holder, trustee or receiver shall have the right to declare the Bonds immediately due and payable.

The Holder or Holders of Bonds in an aggregate principal amount of not less than 25% of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this Resolution with authority to

represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk. Notice of such appointment, together with evidence of the requisite signatures of the Holders of not less than 25% in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the Issuer and the trustee and notice of such appointment shall be given to all Holders of Bonds in the same manner as notices of redemption are given hereunder. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the Holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

SECTION 6.03. DIRECTIONS TO TRUSTEE AS TO REMEDIAL PROCEEDINGS. The Holders of a majority in principal amount of the Bonds then Outstanding (or any Insurer insuring any then Outstanding Bonds) have the right, by an instrument or concurrent instruments in writing executed and delivered to the trustee, to direct the method and place of conducting all remedial proceedings to be taken by the trustee hereunder with respect to the Series of Bonds owned by such Holders or insured by such Insurer, provided that such direction shall not be otherwise than in accordance with law or the provisions hereof, and that the trustee shall have the right to decline to follow any such direction which in the opinion of the trustee would be unjustly prejudicial to Holders of Bonds not parties to such direction.

SECTION 6.04. REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 6.05. WAIVER OF DEFAULT. No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 6.02 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient. No Event of Default may be waived without the consent of each Insurer, which has honored all its obligations under its Bond Insurance Policy.

SECTION 6.06. APPLICATION OF MONEYS AFTER DEFAULT. If an Event of Default shall happen and shall not have been remedied, the Issuer or a trustee or receiver or other similar official appointed for the purpose shall apply all Pledged Funds (except as for amounts in the subaccounts, if any, of the Reserve Account which shall be applied to the payment of the Series of Bonds for which they were established) as follows and in the following order:

(A) To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver, Registrar and Paying Agent hereunder; and

(B) To the payment of the interest (including Hedge Payments) and principal, Sinking Fund Installment or Redemption Price, if applicable, then due on the Bonds (provided such payments are made in accordance with applicable law), as follows;

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference;

SECOND: to the payment to the Persons entitled thereto of the unpaid principal or Sinking Fund Installment of any of the Bonds which shall have become due at maturity or upon mandatory redemption prior to maturity (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of Section 8.01 of this Resolution), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal or Sinking Fund Installment, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference; and

THIRD: to the payment of the Redemption Price of any Bonds called for optional redemption pursuant to the provisions of this Resolution.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

(C) To the payment of all amounts owed to the Insurers and Credit Banks not covered by subsections (A) or (B) above.

SECTION 6.07. CONTROL BY INSURER. To the extent an Insurer makes any payment of principal of or interest on Bonds in accordance with its Bond Insurance Policy, such Insurer shall become subrogated to the rights of the recipients of such payments in accordance with the terms of its Bond Insurance Policy. Upon the occurrence and continuance of an Event of Default, an Insurer of a Series of Bonds, if such Insurer shall not be in payment default under its Bond Insurance Policy, shall be deemed to be the sole owner of such Bonds for purposes of (A) directing and controlling the enforcement of all rights and remedies with respect to such Series of Bonds, including any waiver of an Event of Default and removal of any trustee, and (B) exercising any voting right or privilege or giving any consent or direction or taking any other action that the Holders of such Bonds are entitled to take pursuant to this Article VI hereof. No provision expressly recognizing or granting rights in or to an Insurer shall be modified without the consent of such Insurer. An Insurer's rights under this Section 6.07 shall be suspended during any period in which such Insurer is in default in its payment obligations under its Bond Insurance Policy (except to the extent of amounts previously paid by such Insurer and due and owing to such Insurer) and shall be of no force or effect if its Bond Insurance Policy is no longer in effect or if the Insurer asserts that its Bond Insurance Policy is not in effect or if the Insurer waives such rights in writing. The rights granted to an Insurer under this Section 6.07 are granted in consideration of such Insurer issuing its Bond Insurance Policy. The Issuer shall provide each Insurer immediate notice of any Event of Default described in Section 6.01(A) hereof and notice of any other Event of Default occurring hereunder within 30 days of the occurrence thereof. Each Insurer of any Bonds hereunder shall be considered a third-party beneficiary to the Resolution with respect to such Bonds.

ARTICLE VII SUPPLEMENTAL RESOLUTIONS

SECTION 7.01. SUPPLEMENTAL RESOLUTION WITHOUT BONDHOLDERS' CONSENT. The Issuer, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Resolution other conditions, limitations and restrictions thereafter to be observed.

(D) To add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(E) To specify and determine the matters and things referred to in Sections 2.01 or 2.02 hereof, including the issuance of Additional Bonds, and also any other matters and things relative to such Additional Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(F) To authorize Additional Projects or to change or modify the description of the Series 2015 Project or any Additional Project.

(G) To specify and determine matters necessary or desirable for the issuance of Capital Appreciation Bonds, Federal Subsidy Bonds or Variable Rate Bonds.

(H) To provide for the establishment of a separate subaccount or subaccounts in the Reserve Account which shall independently secure one or more Series of Bonds issued hereunder.

(I) To make any other change that, in the opinion of the Issuer, would not adversely affect the security for the Bonds. In making such determination, the Issuer shall not take into consideration any Bond Insurance Policy.

SECTION 7.02. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS', INSURERS' AND CREDIT BANKS' CONSENT. Subject to the terms and provisions contained in this Section 7.02 and Sections 7.01 and 7.03 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolutions hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series or maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 7.02. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 7.02 shall also require the written consent of any Credit Bank that has provided a Credit Facility and the Insurer of any Bonds which are Outstanding at the time such Supplemental Resolution shall take effect if such Insurer and Credit Bank are not in payment default under their Bond Insurance Policy or Credit Facility, as the case may be. No Supplemental Resolution may be approved or adopted which shall permit or require, without the consent of all affected Bondholders, (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the Redemption Price or the rate of interest thereon, (C) the creation of a lien upon or a pledge of the Pledged Funds other than the lien and pledge created by this Resolution, or except as otherwise permitted or provided hereby, which adversely affects any Bondholders, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds (except as to the establishment of separate subaccounts in the Reserve Account provided in Section 4.05(B)(4) hereof), or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or the Insurers or the Credit Banks of the adoption of any Supplemental Resolution as authorized in Section 7.01 hereof.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 7.02, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Clerk and the Registrar for inspection by all Bondholders. The Issuer shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by this Section 7.02 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 7.02.

Whenever the Issuer shall deliver to the Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Issuer from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 7.02, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

Notwithstanding any other provision of this Section 7.02, Holders of Bonds shall be deemed to have provided consent pursuant to this Section 7.02 if the offering document for such Bonds expressly describes the Supplemental Resolution and the amendments to this Resolution contained therein and states by virtue of the Holders' purchase of such Bonds the Holders are deemed to have notice of, and consented to, such Supplemental Resolution and amendments.

SECTION 7.03. AMENDMENT WITH CONSENT OF INSURERS AND CREDIT BANKS ONLY. For purposes of amending this Resolution pursuant to Section 7.02 hereof, an Insurer of Bonds and the Credit Bank providing a Credit Facility shall be considered the Holder of such Bonds which it has insured or provided a Credit Facility. The consent of the Holders of such Bonds shall not be required if the Insurer of such Bonds and any such Credit Bank shall consent to the amendment as provided by this Section 7.03 and such Insurer and Credit Bank is not in default with respect to its obligations under its Bond Insurance Policy or Credit Facility. At least 15 days prior to adoption of any amendment made pursuant to this Section 7.03, notice of such amendment shall be delivered to the Rating Agencies rating the Bonds. Upon filing with the Clerk of evidence of such consent the Insurers and Credit Banks as aforesaid, the

Issuer may adopt such Supplemental Resolution. After the adoption by the Issuer of such Supplemental Resolution, notice thereof shall be mailed in the same manner as notices of an amendment under Section 7.03 hereof. Notwithstanding the foregoing, the consent of all affected Bondholders shall still be required with respect to any amendment set forth in Clauses (A), (B), (C), (D) or (E) in the first paragraph of Section 7.02 hereof.

ARTICLE VIII DEFEASANCE

SECTION 8.01. DEFEASANCE. If (A) the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of any Series of Bonds the principal and interest or Redemption Price, plus accrued interest, due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, and (B) the Issuer shall pay all Policy Costs owing to any provider of a Reserve Account Letter of Credit or Reserve Account Insurance Policy and all amounts owing to the Insurers and Credit Banks, then all covenants, agreements and other obligations of the Issuer to the holders of such Series of Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Issuer all money or securities held by them pursuant to this Resolution which are not required for payment or redemption of any Series of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto shall be deemed to have been paid within the meaning of this Section 8.01 if (i) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (ii) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Refunding Securities verified by an independent certified public accountant or nationally recognized company that provides verification services for municipal bonds to be in such amount that the principal of and the interest on or Redemption Price thereof which when due will provide moneys which, together with the moneys, if any, deposited with such banking institution or trust company at the same time shall be sufficient, to pay the principal of, premium, if any, and interest due and to become due on said Bonds through and including the maturity date and/or redemption date, as applicable, thereof. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such banking institution or trust company nor any moneys received by such bank or trust company on account of principal of or Redemption Price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or Redemption Price of the Bonds for the payment of which they were deposited and the interest accruing thereon to the date of maturity and/or redemption date, as applicable; provided, however, the Issuer may substitute new Refunding Securities and moneys for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of and interest on or Redemption Price of the refunded Bonds.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section 8.01, the interest to come due on such Variable Rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to satisfy this Section 8.01, such excess shall be paid to the Issuer free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Resolution.

If Bonds are not to be redeemed or paid within 60 days after any such defeasance described in this Section 8.01, the Issuer shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 8.01 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 8.01 and stating such maturity date and/or redemption date, as applicable, upon which moneys are to be available for the payment of the principal of and interest on or Redemption Price of said Bonds. Failure to provide said notice shall not affect the Bonds being deemed to have been paid in accordance with the provisions of this Section 8.01.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

Notwithstanding anything herein to the contrary, in the event that the principal of or interest due on the Bonds shall be paid by an Insurer or Insurers, such Bonds shall remain Outstanding, shall not be defeased or otherwise satisfied and shall not be considered paid by the Issuer, and the pledge of the Pledged Funds and all covenants, agreements and other obligations of the Issuer to the Bondholders shall continue to exist and such Insurer or Insurers shall be subrogated to the rights of such Bondholders.

ARTICLE IX PROVISIONS RELATING TO SERIES 2015 BOND

SECTION 9.01. OPTIONAL REDEMPTION OF SERIES 2015 BOND.

Prior to May 1, 2021, the Series 2015 Bond shall not be subject to optional redemption. On and after May 1, 2021, the Series 2015 Bond may be redeemed, at the option of the Issuer, from any moneys legally available therefor, in whole or in part on any Interest Date, by paying to the holder of the Series 2015 Bond the principal portion of the Series 2015 Bond to be redeemed, together with the unpaid interest accrued on such principal amount to the date of such redemption, at a Redemption Price equal to the principal amount of the Series 2015 Bond to be redeemed, plus accrued interest to the redemption date, without premium; provided, however, with respect to any partial redemption, the Issuer may only make one partial redemption of up to \$500,000 for each 12-month period commencing on May 1 and ending on the immediately succeeding April 30.

Notwithstanding the provisions of Section 3.03 hereof, each redemption of the Series 2015 Bond shall be made on such date and in such principal amount as shall be specified by the Issuer in a written notice delivered to the holder of the Series 2015 Bond not less than thirty (30) days prior thereto specifying the principal amount of the Series 2015 Bond to be redeemed and the date of such redemption. So long as the Issuer provides such notice of redemption, the provisions of Section 3.03 of this Resolution shall not apply with respect to the Series 2015 Bond.

SECTION 9.02. MANDATORY SINKING FUND REDEMPTION OF SERIES 2015 BOND. The Series 2015 Bond is subject to mandatory redemption prior to maturity, in part by lot, at a redemption price equal to par plus interest accrued to the redemption date, payable on May 1 and November 1 of each year through and including May 1, 2030, commencing May 1, 2016, in the Sinking Fund Installments to be determined by the City Manager and approved by the Purchaser and set forth in the Series 2015 Bond.

The Issuer shall not be required to provide the holder of the Series 2015 Bond any notice of the payment of any scheduled Sinking Fund Installments.

SECTION 9.03. APPLICATION OF SERIES 2015 BOND PROCEEDS. Subject in all respects to the satisfaction of the conditions set forth in Section 2.02 hereof, the proceeds derived from the sale of the Series 2015 Bond shall be applied by the Issuer simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2015 Bond proceeds shall be deposited to the Series 2015 Project Account of the Construction Fund and shall be applied in accordance with the provisions hereof to pay Costs of the acquisition, construction, and equipping of the Series 2015 Project. Such deposited amounts may be used to reimburse the Issuer for any moneys previously expended by the issuer for Costs of the Series 2015 Project so

long as the Issuer complies with the applicable provisions of the Code regarding reimbursement.

(B) The remainder of the proceeds of the Series 2015 Bond shall be applied to the payment of costs and expenses relating to the issuance of the Series 2015 Bond.

SECTION 9.04. APPOINTMENT OF PAYING AGENT AND REGISTRAR. Subject in all respects to the satisfaction of the conditions set forth in Section 2.02, hereof, the Issuer, acting through the City Manager's office, is hereby designated Registrar and Paying Agent for the Series 2015 Bond. The City Manager is hereby authorized to execute and deliver and the Clerk is authorized to attest any agreements prepared by Bond Counsel and reviewed by the City Attorney that are necessary to engage the Paying Agent and Registrar.

SECTION 9.05. PROVISION OF FINANCIAL INFORMATION. While the Series 2015 Bond is Outstanding, a copy of the annual audit described in Section 5.06 hereof for each Fiscal Year shall be furnished to the Purchaser within 30 days after approval thereof by the Commission and a copy of the annual budget described in Section 5.07 hereof for each Fiscal Year shall be furnished to the Purchaser within 30 days of its adoption. The Issuer shall also provide the Purchaser with such other information as it reasonably requests from time to time.

ARTICLE X MISCELLANEOUS

SECTION 10.01. CAPITAL APPRECIATION BONDS. For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Resolution, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Issuer or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to this Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

SECTION 10.02. SALE OF BONDS. The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and other applicable provisions of law.

SECTION 10.03. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bonds issued hereunder.

SECTION 10.04. VALIDATION AUTHORIZED. To the extent deemed necessary by Bond Counsel or desirable by the City Attorney, Bond Counsel is authorized to institute appropriate proceedings for validation of a Series of Bonds herein authorized pursuant to Chapter 75, Florida Statutes.

SECTION 10.05. REPEAL OF INCONSISTENT RESOLUTIONS. All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 10.06. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

DULY ADOPTED this 12th day of May, 2015.

CITY OF ST. PETE BEACH, FLORIDA

(SEAL)

By: _____
Maria Lowe, Mayor

ATTEST:

Rebecca C. Haynes, City Clerk

EXHIBIT A

PROPOSAL OF PURCHASER



Capital One Public Funding, LLC
jaci.bretz@capitalone.com

Jacqueline Bretz
AVP
866-617-2337 office
631.457.9582 cell
866.617-2330 fax

April 15, 2015

City of St. Pete Beach
City Clerk's Office
155 Corey Avenue, 1st Floor
St. Pete Beach, FL 33706

Subject: Stormwater Utility System Revenue Note

Dear City Clerk:

Capital One Public Funding, LLC ("COPF") is pleased to present this proposal letter ("Proposal") for the City of St. Pete Beach, FL ("City").

Type of Financing: Tax-exempt, Stormwater Utility System Revenue Note ("Note").

Par Amount: \$3,000,000

Issuer: City of St. Pete Beach, FL

Purchaser: Capital One Public Funding, LLC ("COPF").

Use of Proceeds: Proceeds will be used for estimated project fund costs of for its portion of the Pass A Grille Road project, to provide for any City reimbursement of prior fees or costs (subject to Bond counsel review), and to pay costs of issuance.

Security: The Stormwater Utility Project is expected to be issued as a senior lien bank note financing. Any additional debt would have to meet an Additional Bonds Test of minimum 1.15X.

Term and Payments: Option 1: Annual principal and semi-annual interest payments. Final maturity is May 1, 2025.

Option 2: Annual principal and semi-annual interest payments. Final maturity is May 1, 2030.

Option 3: Annual principal and semi-annual interest payments. Final maturity is May 1, 2035.

Interest Rate: Option 1: The fixed rate is **2.47%**.
Option 2: The fixed rate is **2.95%**.
Option 3: The fixed rate is **3.39%**.

These rates are valid through May 22, 2015 and are subject to change in the event of market movements if the Note does not fund by May 22, 2015.

Fees: No fees shall be charged by COPF to the City for execution of the Note.

Documentation: Documentation shall be provided by Note counsel at the City's expense, subject to review by the COPF and its counsel. The City shall provide an opinion of legal counsel attesting to the legal, valid, and binding nature of the Note and stating that the interest component of the Note payments is exempt from taxation.

COPF Counsel: Chapman & Cutler, LLP shall act as counsel to COPF and their counsel fees will be paid by COPF.

No Note Rating, DTC, Offering Document or CUSIP: The Note shall be delivered in physical, non-book-entry, certificated form and registered in the name of COPF. The Note shall not be (i) assigned a separate rating by any Rating Agency; (ii) registered with The Depository Trust Company or any other securities depository; (iii) issued pursuant to any type of official statement, private placement memorandum or other offering document; or (iv) assigned a CUSIP number.

Call Provision: The City shall have the right to pre-pay the Note, in whole and in part as noted below, on any interest payment date, provided that the City gives COPF at least thirty (30) days prior written notice of its intent to do so. The prepayment provisions shall be as follows:

Option 1	
Years 1-5	Non-callable
Thereafter	Par

Option 2	
Years 1-6	Non-callable
Thereafter	Par

Option 1	
Years 1-7	Non-callable
Thereafter	Par

COPF will allow the City to make one partial prepayment of up to \$500,000 per year on interest payment dates only with no penalty.

Role of Capital One Public Finding, LLC: This Proposal is submitted in response to your Request for Proposal dated March 25, 2015. The contents of this proposal and any subsequent discussions between us, including any and all information, recommendations, opinions, indicative pricing, quotations and analysis with respect to Note, are provided to you in reliance upon the exemption provided for

responses to requests for proposals or qualifications under the municipal advisor rules of the Securities and Exchange Commission (Rule 15Ba1-1 et seq.).

The City acknowledges and agrees that: (i) the information contained in this proposal letter is for discussion purposes only and sets forth certain proposed terms and conditions of an arm's-length commercial transaction between the City and COPF and does not constitute advice, an opinion or a recommendation by COPF; (ii) the City will make its own determination regarding whether to enter into the proposed transaction and the terms thereof, and will consult with and rely on the advice of its own financial, accounting, tax, legal and other advisors; (iii) COPF is acting solely for its own account in connection with the proposed transaction, and is not acting as a municipal advisor, financial advisor, agent or fiduciary to the City or any other person or entity (including to any financial advisor or placement agent engaged by the City) and the City, its financial advisor and placement agent are free to retain the services of such advisors (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) as it deems necessary or appropriate; (iv) COPF has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto; (v) neither COPF nor any of its affiliates is acting as a broker, dealer, underwriter or placement agent with respect the transactions contemplated hereby; (vi) the only obligations COPF has to the City with respect to the transaction contemplated hereby expressly are set forth in this proposal letter; and (vii) COPF is not recommending that the City take an action with respect to the transaction contemplated by this proposal letter. Before taking any action with respect to the contemplated transaction, the City should discuss the information contained herein with the City's own legal, accounting, tax, financial and other advisors, as it deems appropriate. If the City would like a municipal advisor in this transaction that has legal fiduciary duties to you, the City is free to engage a municipal advisor to serve in that capacity.

Proposal Expiration:

This Proposal shall expire if not accepted by the April 24, 2015 by the City. Once accepted, this Proposal shall expire if the transaction has not closed by May 22, 2015.

Thank you for the opportunity to offer this Proposal. Should you have any questions, please do not hesitate to contact me at 866-617-2337 or jaci.bretz@capitalone.com.

Sincerely,

Jacqueline Bretz
Capital One Public Funding, LLC



City of St Pete Beach, FL

April 15, 2015

ACCEPTED BY: City of St Pete Beach, FL

By

Name

Title

Attachment Exhibit A – Florida References

Exhibit A – References

School Board of Duval County
1701 Prudential Drive
Jacksonville, FL 32207

State of Florida
Dept. of Corrections
2601 Blair Stone Rd
Tallahassee, FL 32399

Orange County Public Schools
445 W Amelia St
Orlando, FL 32801

Apalachicola City
1 Ave E
Apalachicola City, FL 32320

City of Hollywood
2600 Hollywood Blvd
Hollywood, FL 33020

City of Lakeland
278 S Massachusettes
Lakeland, FL 33801

City of Ocala
110 SE Watula Ave
Ocala, FL 34471

EXHIBIT B

**FORM OF TRUTH-IN-BONDING STATEMENT
AND DISCLOSURE LETTER**

**CAPITAL ONE PUBLIC FUNDING, LLC
DISCLOSURE LETTER AND
TRUTH-IN-BONDING STATEMENT**

May 22, 2015

City Commission of the
City of St. Pete Beach, Florida
St. Pete Beach, Florida

Re: \$3,000,000 City of St. Pete Beach, Florida Stormwater Improvement
Assessment Bond, Series 2015

Madam Mayor and Commission Members:

In connection with the purchase of the City of St. Pete Beach, Florida Stormwater Improvement Assessment Bond, Series 2015 (the "Series 2015 Bond") authorized to be issued by Resolution No. 2015-__, adopted by the City Commission of the City of St. Pete Beach, Florida (the "City") on May 12, 2015 (the "Resolution"), the undersigned purchaser of the Series 2015 Bond (the "Original Purchaser"), hereby acknowledges and represents that (1) the Original Purchaser is familiar with the City as it relates to the above transaction; (2) the Original Purchaser has been furnished certain business and financial information about the City; (3) the City has made available to the Original Purchaser the opportunity to obtain additional information and to evaluate the merits and risks of an investment in the Series 2015 Bond; and (4) the Original Purchaser has had the opportunity to ask questions of and receive answers from representatives of the City concerning the terms and conditions of the offering and the information supplied to the Original Purchaser.

The Original Purchaser acknowledges and represents that it has been advised that the Series 2015 Bond has not been registered under the Securities Act of 1933, as amended, in reliance upon the exemption contained in Section 3(a)(2) thereof, and that the City is not presently registered under Section 12 of the Securities and Exchange Act of 1934, as amended. Further, no trading market now exists for the Series 2015 Bond. Accordingly, the Original Purchaser understands that it may need to bear the risks of this purchase of the Series 2015 Bond for an indefinite time, since any sale prior to the maturity of the Series 2015 Bond may not be possible or may be at a price below that which the Original Purchaser is paying for the Series 2015 Bond.

The Original Purchaser has conducted its own investigation to the extent it deemed necessary. The Original Purchaser has been offered an opportunity to have made available to it any and all such information it might request from the City. On this basis, it is agreed by acknowledgment of this letter that the Original Purchaser hereto is not relying on any party or person other than the City to undertake the furnishing or verification of information relating to this transaction.

The Original Purchaser acknowledges that the Series 2015 Bond is being purchased as part of a private placement of the Series 2015 Bond to evidence a loan from the Original Purchaser to the City negotiated directly between the City and representatives of the undersigned. Accordingly, no Official Statement or other disclosure document has been prepared in connection with the issuance of the Series 2015 Bond and we hereby acknowledge that we have made our own independent examination of all facts and circumstances surrounding the Series 2015 Bond and that no reliance has been placed on anyone other than the City.

The Original Purchaser is purchasing the Series 2015 Bond primarily for its own loan account and not with a present intent to distribute or resell the Series 2015 Bond; provided, however, that the Original Purchaser retains the right to transfer the Series 2015 Bond or any interest therein or portion therein in accordance with the terms of the Resolution. The Original Purchaser hereby agrees that prior to any distribution or resale of the Series 2015 Bond, it will comply in all respects with all applicable laws regarding such distribution or resale.

The Original Purchaser further acknowledges and represents that (1) it is the only initial purchaser of the Series 2015 Bond, (2) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the Series 2015 Bond, and (3) it is not currently purchasing the Series 2015 Bond for more than one account or with a present view to distributing the Series 2015 Bond. The Original Purchaser acknowledges that the representations contained in this paragraph are being made in order to meet one of the exceptions to the continuing disclosure requirements set forth in Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

Pursuant to the provisions of Section 218.385, Florida Statutes, the Original Purchaser is providing the following information with respect to the purchase of the Series 2015 Bond. The Original Purchaser represents to you as follows:

- (a) The nature and estimated amounts of expenses to be incurred by the Original Purchaser in connection with the issuance and sale of the Series 2015 Bond are: none.
- (b) There are no "finders," as defined in Section 218.386, Florida Statutes, as amended, in connection with the issuance of the Series 2015 Bond.

- (c) No underwriting fee will be charged by the Original Purchaser in connection with the issuance of the Series 2015 Bond.
- (d) No management fee will be charged by the Original Purchaser in connection with the issuance of the Series 2015 Bond.
- (e) No other fee, bonus or other compensation will be paid by the Original Purchaser in connection with the issuance of the Series 2015 Bond to any person not regularly employed or retained by the Original Purchaser (including a "finder" as defined in Section 218.386, Florida Statutes).
- (f) The name and address of the Original Purchaser is:

Capital One Public Funding, LLC
275 Broadhollow Road
Melville, New York 11747-4808
- (g) The City is proposing to issue the Series 2015 Bond for the principal purpose of financing costs of the acquisition, construction and equipping of various capital improvements to the City's stormwater utility system. The Series 2015 Bond is expected to be repaid over approximately 15 years. The interest rate on the Series 2015 Bond is 2.95%. Total interest paid over the life of the Series 2015 Bond will be approximately \$748,725. The expected source of repayment for the Series 2015 Bond is special assessment proceeds levied in connection with the City's Stormwater Utility System and other sources described in the Resolution. The Series 2015 Bond will result in approximately \$256,000 of such repayment sources of the City being expended to pay debt service on the Series 2015 Bond each year and not being available to pay for other services or purposes of the City.

Very truly yours,

CAPITAL ONE PUBLIC FUNDING, LLC

By: _____
Title: Assistant Vice President

St. Pete Beach City Commission
Agenda Report

ISSUE CONSIDERED: Resolution 2015-07 authorizing the issuance of not to exceed \$13,000,000 in aggregate principal amount of the City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015 for the principal purposes of acquiring, constructing and equipping various capital improvements within the City providing for the issuance of additional Capital Improvement Revenue Bonds from time to time for the principal purposes of acquiring, constructing and equipping various capital improvements within the City and refunding certain outstanding indebtedness of the City; pledging moneys received by the City from the local government half-cent sales tax, guaranteed entitlement, franchise fees and public service tax non ad valorem revenues to secure payment of the principal of and interest on bonds issued hereunder; providing for the rights of the holders of bonds issued hereunder; making certain other covenants and agreements in connection with bonds issued hereunder; authorizing a negotiated sale of said Series 2015 bonds; delegating certain authority to the City Manager for the authorization, execution and delivery of a bond purchase contract with respect thereto, and the approval of the terms and details of said Series 2015 bonds; authorizing the distribution of a Preliminary Official Statement and the execution and delivery of an Official Statement with respect thereto; appointing U. S. Bank National Association as the paying agent and registrar for the Series 2015 bonds; authorizing the execution and delivery of a Continuing Disclosure Agreement with Digital Assurance Certification, LLC; delegating authority to the City Manager to determine whether to utilize municipal bond insurance for the Series 2015 bonds; delegating authority to the City Manager to determine the reserve account requirement for the Series 2015 bonds and whether to utilize a Reserve Account Insurance Policy with respect thereto; and providing an effective date.

DATE: May 12, 2015

PREPARED BY: Elaine Edmunds, Administrative Services Director

SUMMARY OF ISSUE: Resolution 2015-07 provides an overall framework as a Master Resolution that can be used for all future borrowings related to Capital Improvement Revenue Bonds. By providing this framework, all future borrowings done typically for general fund projects authorized by the City Commission can be done by a Supplemental Resolution that will be required to contain specifics relating to the future loan/bond that is being issued and refer to this Resolution for the common characteristics pertaining to authorized capital improvement borrowing instruments.

Ordinance 2015-08 authorized the issuance of debt not to exceed \$13,000,000 for acquiring, constructing equipping various capital improvements. Following prior discussions of bank loan versus bond issue borrowing options with City's Financial Advisor, Larson Consulting Services, the City Commission affirmed the bond issue option, and the City retained , following respective RFPs and competitive selection processes, in prior meetings firms to serve as Bond Counsel (Nabors, Giblin Nickerson), Disclosure Counsel (Greenberg Traurig), and Underwriters/Investment Bankers(Stifel and RBC Capital), bonds will be issued for a period of up to thirty years. The City's Financial Advisor will be available to join us on the 12th to provide (1) a report on the efforts and success with the Bond Insurers and Rating Agencies and (2) an update on the Bond Financing Timetable, and will be joined by other members of the Finance and Legal team to address any other questions. We will ask our Senior Managing Underwriter, Stifel Nicolaus, to provide the Commission with a brief Market Update prior to pricing the bonds and setting the interest rates on or around week of June 18th.

The Series 2015 bond proceeds will be used to pay for the cost of issuance of the bonds, and also fund a portion of the various capital projects not covered by other sources including City funds, Stormwater Bonds, Waste Water Bonds, and Grants, and approved by the City Commission including but not limited to:

- Capital Improvements on Blind Pass Road
- Capital Improvements on Pass-A-Grille Way
- Capital Needs related to the City's Library Project, and
- Other capital projects approved by City Commission

The Series 2015 Bonds are secured by the City's non ad valorem revenues or Pledged Revenues including the State One-half Cent Sales Tax, Guaranteed Entitlement, Public Service Tax and Franchise Fee Revenues. Neither the City's ad valorem revenues nor the City's enterprise systems' revenues will be pledged.

REQUESTED MOTION: "I move to approve Resolution 2015-07, (read title)...

ATTACHMENTS: Resolution 2015-07
Exhibits A thru E

**REVIEWED BY
CITY MANAGER:**

WS

CITY OF ST. PETE BEACH, FLORIDA

CAPITAL IMPROVEMENT REVENUE BOND RESOLUTION

RESOLUTION NO. 2015-07

ADOPTED MAY 12, 2015

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**CITY OF ST. PETE BEACH
ST. PETE BEACH, FLORIDA**

RESOLUTION NO. 2015-07

A RESOLUTION OF THE CITY OF ST. PETE BEACH, FLORIDA AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$13,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF ST. PETE BEACH, FLORIDA CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2015 FOR THE PRINCIPAL PURPOSES OF ACQUIRING, CONSTRUCTING AND EQUIPPING VARIOUS CAPITAL IMPROVEMENTS WITHIN THE CITY; PROVIDING FOR THE ISSUANCE OF ADDITIONAL CAPITAL IMPROVEMENT REVENUE BONDS FROM TIME TO TIME FOR THE PRINCIPAL PURPOSES OF ACQUIRING, CONSTRUCTING AND EQUIPPING VARIOUS CAPITAL IMPROVEMENTS WITHIN THE CITY AND REFUNDING CERTAIN OUTSTANDING INDEBTEDNESS OF THE CITY; PLEDGING MONEYS RECEIVED BY THE CITY FROM THE LOCAL GOVERNMENT HALF-CENT SALES TAX, GUARANTEED ENTITLEMENT, FRANCHISE FEES AND PUBLIC SERVICE TAX TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON BONDS ISSUED HEREUNDER; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF BONDS ISSUED HEREUNDER; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH BONDS ISSUED HEREUNDER; AUTHORIZING A NEGOTIATED SALE OF SAID SERIES 2015 BONDS; DELEGATING CERTAIN AUTHORITY TO THE CITY MANAGER FOR THE AUTHORIZATION, EXECUTION AND DELIVERY OF A PURCHASE CONTRACT WITH RESPECT THERETO, AND THE APPROVAL OF THE TERMS AND DETAILS OF SAID SERIES 2015 BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT THERETO; APPOINTING THE PAYING AGENT AND REGISTRAR FOR SAID SERIES 2015 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE

AGREEMENT WITH DIGITAL ASSURANCE CERTIFICATION, L.L.C.; DELEGATING AUTHORITY TO THE CITY MANAGER TO DETERMINE WHETHER TO UTILIZE MUNICIPAL BOND INSURANCE FOR THE SERIES 2015 BONDS; DELEGATING AUTHORITY TO THE CITY MANAGER TO DETERMINE THE RESERVE ACCOUNT REQUIREMENT FOR THE SERIES 2015 BONDS AND WHETHER TO UTILIZE A RESERVE ACCOUNT INSURANCE POLICY WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH, FLORIDA AS FOLLOWS:

ARTICLE I GENERAL

SECTION 1.01. DEFINITIONS. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Accreted Value" shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360 day year.

"Act" shall mean Chapter 166, Florida Statutes, Chapter 218, Florida Statutes, the Charter of the Issuer, the Franchise Fee Instruments, the Public Service Tax Ordinance, the Constitution of the State of Florida and other applicable provisions of law.

"Additional Bonds" shall mean the obligations issued at any time under the provisions of Section 5.02 hereof on parity with the Series 2015 Bonds.

"Amortization Installment" shall mean an amount designated as such by, or provided for pursuant to, this Resolution or Supplemental Resolution of the Issuer and established with respect to the Term Bonds.

"Annual Debt Service" shall mean the aggregate amount of Debt Service on the Bonds for each applicable Fiscal Year.

"Authorized Investments" shall mean any investments that may be made by the Issuer under applicable law and which are allowed under the Issuer's investment policy.

"Authorized Issuer Officer" shall mean the Mayor, the City Manager or the Clerk, and when used in reference to any act or document, also means any other person authorized by resolution of the Issuer to perform such act or sign such document.

"Bond Amortization Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04(B) hereof.

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A. or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Insurance Policy" shall mean the municipal bond insurance policy or policies issued by an Insurer guaranteeing the payment of the principal of and interest on any portion of the Bonds. If the City Manager determines that any of the Series 2015 Bonds shall be insured pursuant to Section 2.02 hereof, the Bond Insurance Policy in regard to the Series 2015 Bonds shall mean the municipal bond insurance policy issued by Assured Guaranty Municipal Corp. insuring the payment when due of the principal of and interest on the Series 2015 Bonds as provided therein.

"Bondholder" or **"Holder"** or **"holder"** or any similar term, when used with reference to a Bond or Bonds, shall mean any person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Issuer.

"Bonds" shall mean the Series 2015 Bonds, together with any Additional Bonds issued pursuant to this Resolution and any Subordinated Indebtedness which accedes to the status of Bonds pursuant to Section 5.04 hereof.

"Capital Appreciation Bonds" shall mean those Bonds of a Series so designated under the authority of the Issuer, whether by Supplemental Resolution, purchase contract, or otherwise, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or redemption of

such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"City Clerk" shall mean the City Clerk of the City of St. Pete Beach, Florida and such other person as may be duly authorized to act on his or her behalf.

"City Manager" shall mean the City Manager of the City of St. Pete Beach, Florida and such other person as may be duly authorized to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules thereunder in effect or proposed.

"Construction Fund" shall mean the fund established pursuant to Section 4.03 hereof.

"Cost," when used in connection with a Project, shall mean (1) the Issuer's cost of physical construction; (2) costs of acquisition by or for the Issuer of such Project; (3) costs of land and interests therein and the cost of the Issuer incidental to such acquisition; (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bonds and other obligations during the period of acquisition and construction of such Project and for such period subsequent to completion as the Issuer shall determine; (6) engineering, legal and other consultant fees and expenses; (7) costs and expenses of the financing, including audits, fees and expenses of any Paying Agent, Registrar or depository; (8) amounts, if any, required by this Resolution to be paid into the Interest Account upon the issuance of any Series of Bonds; (9) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Issuer (other than the Bonds) incurred for a Project; (10) costs of machinery, equipment and supplies and reserves required by the Issuer for the commencement of operation of such Project; and (11) any other costs properly attributable to such construction or acquisition, as determined by generally accepted accounting principles applicable to the Issuer, and shall include reimbursement to the Issuer for any such items of Cost heretofore paid by the Issuer and interest on any interfund loan related thereto. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

"Counterparty" shall mean the entity entering into a Hedge Agreement with the Issuer. Counterparty would also include any guarantor of such entity's obligations under such Hedge Agreement.

"Credit Bank" shall mean as to any particular Series of Bonds, the Person (other than an Insurer) providing a letter of credit, a line of credit or other credit or liquidity facility, as designated in the Supplemental Resolution providing for the issuance of such Bonds.

"Credit Facility" shall mean as to any particular Series of Bonds, an irrevocable letter of credit, a line of credit or other credit or legal liquidity facility (other than an insurance policy issued by an Insurer), as approved in the Supplemental Resolution providing for the issuance of such Bonds.

"Debt Service" shall mean, at any time, the aggregate amount in the then applicable period of time of (1) interest required to be paid on the Outstanding Bonds during such period of time, except to the extent that such interest is to be paid from deposits in the Interest Account or Construction Fund made from Bond proceeds for such purpose, (2) principal of Outstanding Serial Bonds maturing in such period of time, and (3) the Amortization Installments scheduled to be paid during such period of time. For purposes of this definition, (A) all amounts payable on a Capital Appreciation Bond shall be considered a principal payment in the year it becomes due, (B) with respect to debt service on any Bonds which relate to a Qualified Hedge Agreement, interest on such Bonds during the term of such Qualified Hedge Agreement shall be deemed to be the Hedge Payments coming due during such period of time, (C) if any Series of Bonds has 25% or more of the aggregate principal amount of such Series coming due in any one year, Debt Service shall be determined on such Series during such period of time as if the principal of and interest on such Series were being paid from the date of issuance thereof in substantially equal annual amounts over a period of 25 years, (D) the amount, if any, on deposit in the Reserve Account (or any subaccount thereof) on any date of calculation of Debt Service shall be deducted from the amount of principal due at the final maturity of the Bonds which are secured by such Reserve Account (or subaccount thereof) and in each preceding year until such amount is exhausted, and (E) with respect to Debt Service on any Federal Subsidy Bonds, when determining the interest on such Bonds for any particular Interest Date the amount of the corresponding Federal Subsidy Payment shall be deducted from the amount of interest which is due and payable to the holders of such Bonds on the Interest Date, but only to the extent that the Issuer reasonably believes that it will be in receipt of such Federal Subsidy Payment on or prior to such Interest Date.

"Debt Service Fund" shall mean the fund established pursuant to Section 4.04(B) hereof.

"Federal Securities" shall mean non-callable direct obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of Treasury) or non-callable obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

"Federal Subsidy Bonds" shall mean Bonds issued under Section 54AA of the Code, Section 1400U-2 of the Code or any other applicable provision of the Code, the interest on which is not exempt from federal income taxation, with respect to which the Issuer elects to receive, or is otherwise entitled to receive, Federal Subsidy Payments from the United States Department of Treasury.

"Federal Subsidy Payments" shall mean the direct payments made by the United States Department of Treasury to the Issuer with respect to any Federal Subsidy Bonds pursuant to Sections 54AA(g), 6431 and 1400U-2 of the Code, or any other applicable provision of the Code.

"Financial Advisor" shall mean Larson Consulting Services, LLC and its successors and assigns.

"Fiscal Year" shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Fitch" means Fitch Ratings and any assigns and successors thereto.

"Franchise Fees Instruments" shall mean (1) Ordinance No. 2014-05, enacted on June 10, 2014, granting a franchise to Peoples Gas System (Florida), Inc. and any successor ordinance or instrument of the Issuer granting a franchise to provide natural gas utility services and (2) Ordinance No. 2011-15, enacted on June 15, 2011, granting a franchise to Florida Power Corporation and any successor ordinance or instrument of the Issuer granting a franchise to provide electric utility services.

"Franchise Fees Revenues" shall mean all revenues received by the Issuer pursuant to the Franchise Fees Instruments.

"Governing Body" shall mean the City Commission of the City of St. Pete Beach, Florida or its successor in function.

"Guaranteed Entitlement Revenues" shall mean the revenues received by the Issuer from the guaranteed entitlement portion of the Revenue Sharing Trust Fund for Municipalities payable to the Issuer pursuant to Chapter 218, Part II, Florida Statutes, in the annual amount of \$199,235, and any funds received by the Issuer as a replacement for any such proceeds as the result of any subsequent change in Florida law; provided, however, "Guaranteed Entitlement Revenues" shall not include any excess amounts payable to the Issuer from the Revenue Sharing Trust Fund for Municipalities (such excess is commonly referred to as "Growth Money").

"Hedge Agreement" shall mean an agreement in writing between the Issuer and the Counterparty pursuant to which (1) the Issuer agrees to pay to the Counterparty an amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable rate) payable on a notional amount specified in such agreement during the period specified in such agreement and (2) the Counterparty agrees to pay to the Issuer an amount, either at one time or periodically, which may, but is not required to, be determined by reference to the amount of interest (which may be at a fixed or variable

rate) payable on all or a portion of a notional amount specified in such agreement during the period specified in such agreement. Hedge Agreement shall also include any financial product or agreement which is used by the Issuer as a hedging device with respect to its obligations to pay interest on Bonds, or any portion thereof, which is designated by the Issuer as "Hedge Agreement."

"Hedge Payments" shall mean any amounts payable by the Issuer as interest on the related notional amount under a Qualified Hedge Agreement; excluding, however, any payments due as a penalty or a fee or by virtue of termination of a Qualified Hedge Agreement or any obligation to provide collateral.

"Hedge Receipts" shall mean any amounts receivable by the Issuer on the related notional amount under a Qualified Hedge Agreement.

"Insurer" shall mean, with respect to a particular Series of Bonds, such Person as shall have issued a Bond Insurance Policy insuring such Series of Bonds, and its successors and assigns. If the City Manager determines that any of the Series 2015 Bonds shall be insured pursuant to Section 2.02 hereof, the Insurer of the Series 2015 Bonds shall mean Assured Guaranty Municipal Corp.

"Interest Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04(B) hereof.

"Interest Date" or **"interest payment date"** shall be such date or dates for the payment of interest on the Bonds as provided pursuant to Section 2.01 hereof. Notwithstanding the foregoing, the Interest Dates for the Series 2015 Bonds shall be November 1 and May 1 of each year, commencing November 1, 2015, or such other date as the City Manager may determine.

"Investment Earnings" shall mean all income and earnings derived from the investment of moneys in the funds and accounts established hereunder, other than the Rebate Fund.

"Issuer" shall mean the City of St. Pete Beach, Florida.

"Maximum Annual Debt Service" shall mean the largest aggregate amount of the Annual Debt Service becoming due in any Fiscal Year in which Bonds are Outstanding.

"Maximum Interest Rate" shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in, or determined in accordance with, the Supplemental Resolution of the Issuer authorizing the issuance of such Bonds, that shall be the maximum rate of interest such Bonds may at any particular time bear.

"Mayor" shall mean the Mayor of the Issuer or, in his or her absence or unavailability, the Vice Mayor of the Issuer or such other person as is lawfully authorized to act in the place of the Mayor.

"Moody's" shall mean Moody's Investors Service, and any assigns and successors thereto.

"Outstanding", when used with reference to Bonds and as of any particular date, shall describe all Bonds theretofore and thereupon being authenticated and delivered except, (1) any Bond in lieu of which other Bond or Bonds have been issued under agreement to replace lost, mutilated or destroyed Bonds, (2) any Bond surrendered by the Holder thereof in exchange for other Bond or Bonds under Sections 2.05 and 2.07 hereof, (3) Bonds deemed to have been paid pursuant to Section 8.01 hereof and (4) Bonds cancelled after purchase in the open market or because of payment at or redemption prior to maturity.

"Paying Agent" shall mean for each Series of Bonds, the paying agent appointed by the Issuer for such Series of Bonds and its successor or assigns, if any. With respect to the Series 2015 Bonds, the Paying Agent initially shall be U.S. Bank National Association.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, governmental entity or other legal entity.

"Pledged Funds" shall mean (1) the Sales Tax Revenues, (2) the Guaranteed Entitlement Revenues, (3) the Franchise Fees Revenues, (4) the Public Service Tax Revenues, and (5) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder except (A) for the Unrestricted Revenue Account and the Rebate Fund and (B) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions hereof.

"Policy Costs" shall mean, collectively, the repayment of draws, reasonable expenses and interest related to a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit.

"Prerefunded Obligations" shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (1) which are (A) not callable prior to maturity or (B) as to which irrevocable instructions have been given to the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are fully secured

as to principal, redemption premium, if any, and interest by a fund held by a fiduciary consisting only of cash or Federal Securities, secured in substantially the manner set forth in Section 8.01 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as the case may be, (3) as to which the principal of and interest on the Federal Securities, which have been deposited in such fund along with any cash on deposit in such fund are sufficient, as verified by an independent certified public accountant or other expert in such matters, to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above and are not available to satisfy any other claims, including those against the fiduciary holding the same, and (4) which are rated in the highest rating category (without regard to gradations, such as "+" or "-" or "1, 2 or 3" of such categories) of one of the Rating Agencies.

"Principal Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04(B) hereof.

"Project" shall mean any structure, property or facility for public use which the Issuer from time to time may determine to construct, acquire or equip, together with all equipment, structures and other facilities necessary or appropriate in connection therewith which are financed in whole or in part with the indebtedness secured by this Resolution. This term is to be broadly construed as including any lawful undertaking which will accrue to the benefit of the Issuer, including, without limitation, financing improvements to the Issuer's facilities, joint ventures and acquisition of partial interests or contractual rights, and including modification, disposal, replacement or cancellation of a Project previously authorized, should such modification, disposal, replacement or cancellation be permitted under this Resolution. The Series 2015 Project shall constitute a Project hereunder.

"Public Service Tax Ordinance" shall mean the Issuer's Ordinance No. 2, enacted by the Commission on September 24, 1957, as amended and supplemented and codified, and as the same may be amended from time to time, and any successor instrument thereto.

"Public Service Tax Revenues" shall mean the proceeds of the public service tax received by the Issuer from its levy of such tax on electricity, gas and water service pursuant to the Public Service Tax Ordinance at a rate of 10% and any funds received by the Issuer as a replacement for any proceeds as a result of any change in Florida law. The Issuer may include within the definition of "Public Service Tax Revenues" the levy of the public service tax on services other than electricity, gas and water service if the Issuer provides by ordinance for such inclusion.

"Purchase Contract" shall mean the Purchase Contract between the Issuer and the Underwriters with respect to the sale of the Series 2015 Bonds, the form of which is attached hereto as Exhibit A.

"Qualified Hedge Agreement" shall mean a Hedge Agreement with a Counterparty that at the time it enters into such Hedge Agreement is rated "A-" or better by Standard & Poor's and "A3" or better by Moody's.

"Rating Agencies" means Fitch, Moody's and Standard & Poor's.

"Rebate Fund" shall mean the Rebate Fund established pursuant to Section 4.04(C) hereof.

"Redemption Price" shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

"Registrar" shall mean for each Series of Bonds, the bond registrar appointed by the Issuer for such Series of Bonds and its successor or assigns, if any. With respect to the Series 2015 Bonds, the Registrar initially shall be U.S. Bank National Association.

"Reserve Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04(B) hereof.

"Reserve Account Insurance Policy" shall mean the debt service reserve account insurance policy or surety bond deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4). If the City Manager determines that a debt service reserve insurance policy or surety bond is to be deposited to the Series 2015 Subaccount of the Reserve Account for the Series 2015 Bonds pursuant to Section 2.02 hereof, the reserve account insurance policy to be issued by Assured Guaranty Municipal Corp. in connection with the issuance of the Series 2015 Bonds shall constitute a Reserve Account Insurance Policy.

"Reserve Account Letter of Credit" shall mean a letter of credit or line of credit or other credit facility (other than a Reserve Account Insurance Policy) deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4) hereof.

"Reserve Account Requirement" shall mean, as of any date of calculation for the Reserve Account, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds secured thereby, (2) 125% of the average Annual Debt Service for all Outstanding Bonds secured thereby, or (3) the maximum amount of Bond proceeds which may be deposited to the Reserve Account without subjecting the same to yield restriction under the Code, or causing interest on any of the Bonds (other than Taxable Bonds) to be included in gross income for purposes of federal income taxation; provided,

however, the Issuer may establish hereby or by Supplemental Resolution a different Reserve Account Requirement with respect to any particular Series of Bonds pursuant to Section 4.05(A)(4) hereof, which Reserve Account Requirement may be \$0.00. The City Manager shall determine the Reserve Account Requirement for the Series 2015 Bonds pursuant to Section 2.02 hereof. In computing the Reserve Account Requirement in respect of a Series of Bonds that constitutes Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 12 months prior to the date of calculation, the highest of (i) the actual rate of interest on the date of calculation, (ii) the average interest rate borne by such Variable Rate Bonds for the 12-month period preceding each date of calculation, and (iii) the Bond Buyer Revenue Bond Index most recently published prior to the time of calculation, and (B) if such Variable Rate Bonds have not been Outstanding for at least 12 months prior to the date of calculation, the higher of (i) the actual rate of interest on the date of calculation, and (ii) the Bond Buyer Revenue Bond Index most recently published prior to the time of calculation. The Reserve Account Requirement shall be calculated, and the investments on deposit in the Reserve Account shall be valued, as of September 30 of each year with respect to the next succeeding Fiscal Year.

"Resolution" shall mean this Resolution, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

"Restricted Revenue Account" shall mean the separate account in the Revenue Fund established pursuant to Section 4.04(A) hereof.

"Revenue Fund" shall mean the fund created pursuant to Section 4.04(A) hereof.

"Sales Tax Revenues" shall mean all moneys distributed (including any emergency distribution) to the Issuer from the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to Part VI, Chapter 218, Florida Statutes and other applicable provisions of law, and any funds received by the Issuer as a replacement for any proceeds as the result of any change in Florida law.

"Serial Bonds" shall mean all of the Bonds other than the Term Bonds.

"Series" shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.01 and 2.02 hereof or a Supplemental Resolution authorizing the issuance by the Issuer of such Bonds as a separate Series, regardless of variations in maturity, interest rate, Amortization Installments or other provisions.

"Series 2015 Bonds" shall mean the City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015, authorized pursuant to Section 2.02 hereof.

"Series 2015 Project" shall mean the Pass-A-Grille Project, the City Library Project, the Blind Pass Road Project and any other capital improvements approved by the Commission to be financed with proceeds of the Bonds, all as more particularly described in the plans and specifications on file with the City, as the same may be amended and supplemented from time to time.

"Standard and Poor's" or **"S&P"** shall mean Standard and Poor's Ratings Services, and any assigns and successors thereto.

"State" shall mean the State of Florida.

"Subordinated Indebtedness" shall mean that indebtedness of the Issuer, subordinate and junior to the Bonds, issued in accordance with the provisions of Section 5.01 hereof or deemed subordinate and junior to the Bonds in accordance with the provisions hereof or in accordance with the provisions of such Subordinated Indebtedness.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 7.01, 7.02 and 7.03 hereof.

"Taxable Bonds" means any Bond which states, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income taxation purposes or that such interest is subject to federal income taxation. Notwithstanding the foregoing, except as otherwise provided herein, Taxable Bonds shall not include Federal Subsidy Bonds.

"Term Bonds" shall mean those Bonds which shall be designated as or authorized to be Term Bonds hereby or by Supplemental Resolution of the Issuer and which are subject to mandatory redemption by Amortization Installments.

"Underwriters" shall mean, with respect to the Series 2015 Bonds, Stifel, Nicolaus & Company, Incorporated and RBC Capital Markets, LLC.

"Unrestricted Revenue Account" shall mean the separate account in the Revenue Fund established pursuant to Section 4.04(A) hereof.

"Variable Rate Bonds" shall mean Bonds issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof at the date of issue.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act. The Issuer has ascertained and hereby determined that adoption of this Resolution is necessary to carry out the powers, purposes and duties expressly provided in the Act, that each and every matter and thing as to which provision is made herein is necessary in order to carry out and effectuate the purposes of the Issuer in accordance with the Act and to carry out and effectuate the plan and purpose of the Act, and that the powers of the Issuer herein exercised are in each case exercised in accordance with the provisions of the Act and in furtherance of the purposes of the Issuer.

SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Issuer with the Holders of the Bonds, and shall be deemed to be and shall constitute a contract between the Issuer, the Holders from time to time of the Bonds and any Insurer or Credit Bank. The pledge made in the Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds and any Insurer or Credit Bank, but only in accordance with the terms hereof. All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. FINDINGS. It is hereby ascertained, determined and declared that:

(A) Pursuant to the Act, the Issuer is authorized to pledge the Pledged Funds to pay the principal of, premium, if any, and interest on the Bonds.

(B) It is necessary and desirable and in the best interests of the Issuer to borrow moneys from time to time to finance and refinance capital improvements within the City.

(C) For the purposes described above, the Issuer is authorized hereunder to borrow money by issuing its Bonds from time to time as provided herein.

(D) The Issuer has various capital improvement needs and requirements in the form of the Series 2015 Project which need to be acquired, constructed and equipped in order to maintain and protect the health, safety and welfare of the citizens of the Issuer.

(E) On the date hereof, the Commission duly enacted Ordinance No. 2015-08 which, among other things, authorizes the issuance of debt obligations of the Issuer in an

amount not to exceed \$13,000,000 for the principal purposes of financing the Costs of acquisition, construction and equipping of the Series 2015 Project.

(F) It is in the best interests of the Issuer to finance the Costs of acquisition, construction and equipping of the Series 2015 Project through the issuance of tax-exempt debt obligations and the most efficient and fairest method of financing such Costs is by the issuance of the Series 2015 Bonds secured by and payable from the Pledged Funds as provided herein.

(G) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2015 Bonds and the complexity of the transactions relating to such Series 2015 Bonds, it is in the best interest of the Issuer to sell the Series 2015 Bonds by a negotiated sale, allowing the Issuer to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the Issuer to obtain the best possible price and interest rate for the Series 2015 Bonds and the most debt service savings for the Issuer.

(H) The Issuer anticipates receiving a favorable offer to purchase the Series 2015 Bonds from the Underwriters, all within the parameters set forth herein, and as provided in the Purchase Contract.

(I) Inasmuch as the Issuer desires to sell the Series 2015 Bonds at the most advantageous time and not wait for a scheduled meeting of the Governing Body, so long as the herein described parameters are met, the Issuer hereby determines to delegate the award and sale of the Series 2015 Bonds to the City Manager within such parameters.

(J) The Series 2015 Bonds and any Additional Bonds and Subordinated Indebtedness issued hereunder shall be secured by the Pledged Funds as provided herein and such Pledged Funds have not been previously pledged or encumbered.

(K) The estimated Pledged Funds to be received in each Fiscal Year hereafter will be sufficient to pay the principal of and interest on the Series 2015 Bonds, as the same become due, and all other payments provided for in this Resolution.

(L) The principal of and interest on the Bonds and any Subordinated Indebtedness that may be issued pursuant to this Resolution, and all other payments provided for in this Resolution, will be paid solely from the Pledged Funds in accordance with the terms hereof and in the manner provided herein; the Bonds and any Subordinated Indebtedness issued hereunder shall not constitute a general obligation, or a pledge of the faith, credit or taxing power of the Issuer, the State of Florida, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions and neither the State of Florida, nor any political subdivision thereof, and the ad valorem taxing power of the Issuer will never be necessary or authorized to pay the principal of and interest on the Bonds or any Subordinated Indebtedness to be issued

pursuant to this Resolution, or to make any other payments provided for in this Resolution, and neither the Bonds nor any Subordinated Indebtedness shall constitute a lien upon any other property whatsoever of or in the Issuer.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF BONDS

SECTION 2.01. AUTHORIZATION OF BONDS. This Resolution creates an issue of Bonds of the Issuer to be designated as "City of St. Pete Beach, Florida Capital Improvement Revenue Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act. The designation of any particular Series of Bonds may be modified by the Supplemental Resolution authorizing such Series in order to better describe it.

The Bonds may, if and when authorized by the Issuer pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Issuer may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined by Supplemental Resolution of the Issuer.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; shall bear interest at such rates, shall have such Interest Dates and the proceeds shall be used in such manner; all as determined or provided for by Supplemental Resolution of the Issuer. The Issuer may issue Bonds which may be secured by a Credit Facility or by a Bond Insurance Policy of an Insurer all as shall be determined by Supplemental Resolution of the Issuer. The Governing Body may delegate approval of the terms, details and sale of a Series of Bonds to an Authorized Issuer Officer pursuant to Supplemental Resolution.

SECTION 2.02. AUTHORIZATION AND DESCRIPTION OF SERIES 2015 BONDS. A Series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in the aggregate principal amount of not exceeding \$13,000,000 for the principal purpose of acquiring, constructing and equipping the Series 2015 Project. Such Series of Bonds shall be designated as "City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015." The aggregate principal amount of the Series 2015 Bonds to be issued pursuant to the Resolution shall be determined by the City Manager provided such aggregate principal amount does not exceed \$13,000,000. The Series 2015 Bonds shall be dated as of their date of delivery or

such other date as the City Manager may determine, shall be issued in the form of fully registered Bonds in the denomination of \$5,000 or any integral multiple thereof, shall be numbered consecutively from one upward in order of maturity preceded by the letter "R", shall bear interest from their date of delivery, payable semi-annually, on November 1 and May 1 of each year, commencing on November 1, 2015, or such other date as may be determined by the City Manager (each an "Interest Date").

Interest on the Series 2015 Bonds shall be payable by check or draft of U.S. Bank National Association, Orlando, Florida, as Paying Agent, made payable and mailed to the Holder in whose name such Series 2015 Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding the applicable Interest Date, or, at the request of such Holder, by bank wire transfer to the account of such Holder. Principal of the Series 2015 Bonds is payable to the Holder upon presentation, when due, at the designated corporate trust office of U.S. Bank National Association, Orlando, Florida, as Paying Agent. All payments of principal, premium, if applicable, and interest on the Series 2015 Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The Series 2015 Bonds shall bear interest at such rates (calculated on the basis of a 360 day year of twelve 30 day months) and yields, shall mature on May 1 of each of the years and in the principal amounts corresponding to such years, and shall have such redemption provisions as determined by the City Manager, upon the advice of the Financial Advisor, subject to the conditions set forth in Section 9.01 hereof. All of the terms of the Series 2015 Bonds will be included in the Purchase Contract. The City Manager is hereby authorized to execute the Purchase Contract in substantially the form attached hereto as Exhibit A with such modifications as the City Manager deems appropriate upon satisfaction of the conditions described in Section 9.01 hereof, subject to review and approval by the City Attorney. Execution by the City Manager of the Purchase Contract shall be deemed to be conclusive evidence of approval of such modifications.

The City Manager is authorized and directed to determine, upon the advice of the Financial Advisor, whether any portion of the Series 2015 Bonds shall be insured by the Bond Insurance Policy described in Sections 9.09 hereof. The City Manager is authorized and directed to determine, upon the advice of the Financial Advisor, the Reserve Account Requirement for the Series 2015 Bonds which Reserve Account Requirement may be \$0.00. If the Reserve Account Requirement is determined by the City Manager to be greater than \$0.00, the City Manager is authorized and directed to, upon the advice of the Financial Advisor, determine whether to fund the Reserve Account with cash or the Reserve Account Insurance Policy described in Section 9.09 hereof.

SECTION 2.03. EXECUTION OF BONDS. The Bonds shall be executed in the name of the Issuer with the manual or facsimile signature of the Mayor and the

official seal of the Issuer shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the City Clerk. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bonds so signed and sealed have been actually sold and delivered such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Bond shall hold the proper office of the Issuer, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

SECTION 2.04. AUTHENTICATION. No Bond of any Series shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of authentication by the Registrar or such other entity as may be approved by the Issuer for such purpose. Such certificate on any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.08 hereof.

SECTION 2.05. TEMPORARY BONDS. Until the definitive Bonds of any Series are prepared, the Issuer may execute, in the same manner as is provided in Section 2.03, and deliver, upon authentication by the Registrar pursuant to Section 2.04 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Issuer by subsequent resolution and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Issuer, at its own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

SECTION 2.06. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the

Issuer may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer or the Registrar may prescribe and paying such expenses as the Issuer and the Registrar may incur. All Bonds so surrendered shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.06 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

SECTION 2.07. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER. Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same Series and maturity of any other authorized denominations.

The Bonds issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

Each Bond shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the transfer of any such Bond, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and Series and maturity as the surrendered Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or

on account of, the principal or Redemption Price, if applicable, and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to any Series of Bonds, forthwith (A) following the fifteenth day prior to an Interest Date for such Series; (B) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Bonds of such Series; and (C) at any other time as reasonably requested by the Paying Agent of such Series, shall certify and furnish to such Paying Agent the names, addresses and holdings of Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Issuer shall execute and deliver Bonds and the Registrar shall authenticate such Bonds in accordance with the provisions of this Resolution. Execution of Bonds by the City Manager and City Clerk for purposes of exchanging, replacing or transferring Bonds may occur at the time of the original delivery of the Series of which such Bonds are a part. All Bonds surrendered in any such exchanges or transfers shall be held by the Registrar in safekeeping until directed by the Issuer to be cancelled by the Registrar. For every such exchange or transfer of Bonds, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The Issuer and the Registrar shall not be obligated to make any such exchange or transfer of Bonds of any Series during the 15 days next preceding an Interest Date on the Bonds of such Series (other than Capital Appreciation Bonds and Variable Rate Bonds), or, in the case of any proposed redemption of Bonds of such Series, then, for the Bonds subject to redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

The Issuer may elect to issue any Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by Supplemental Resolution. In accordance with Section 9.03 hereof, the Issuer elects to initially provide for a book entry only system of registration for the Series 2015 Bonds.

SECTION 2.08. FORM OF BONDS. The text of the Bonds, except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Resolution of the Issuer, shall be in substantially the following

form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Mayor prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the Issuer's delivery of the Bonds to the purchaser or purchasers thereof):

No. R-

\$

**UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BOND,
SERIES**

Interest <u>Rate</u>	Maturity <u>Date</u>	Date of <u>Original Issue</u>	<u>CUSIP</u>
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Registered Holder:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS, that City of St. Pete Beach, Florida, a political subdivision of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest on such Principal Amount from the Date of Original Issue identified above or from the most recent interest payment date to which interest has been paid at the Interest Rate per annum identified above on May and November of each year commencing _____ until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest and the premium, if any, on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount and the premium, if any, on this Bond, are payable at the designated corporate trust office of _____, as Paying Agent. Payment of each installment of interest shall be made to the person in whose name this Bond shall be registered on the registration books of the Issuer maintained by _____, _____, _____, as Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) next preceding each interest payment date

and shall be paid by a check of such Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the request of such Registered Holder, by bank wire transfer for the account of such Holder. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$_____ (the "Bonds") of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued to _____, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 166, Florida Statutes, Chapter 218, Florida Statutes, the Charter of the Issuer, the Franchise Fee Instruments (as defined in the Resolution), the Public Service Tax Ordinance (as defined in the Resolution), the Constitution of the State of Florida and other applicable provisions of law (the "Act"), and a resolution duly adopted by the City Commission of the Issuer on May 12, 2015, as the same may be amended and supplemented (the "Resolution"), and is subject to all the terms and conditions of the Resolution.

This Bond and the interest hereon are payable solely from and secured by a lien upon and a pledge of (1) the Sales Tax Revenues (as defined in the Resolution), (2) the Guaranteed Entitlement Revenues (as defined in the Resolution), (3) the Franchise Fees Revenues (as defined in the Resolution), (4) the Public Service Tax Revenues (as defined in the Resolution), and (5) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established under the Resolution except (A) for the Unrestricted Revenue Account and the Rebate Fund (as each is defined in the Resolution) and (B) any moneys set aside in a particular subaccount of the Reserve Account (as defined in the Resolution) if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds").

IT IS EXPRESSLY AGREED BY THE REGISTERED HOLDER OF THIS BOND THAT THE FULL FAITH AND CREDIT OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS BOND AND THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL, PREMIUM, IF ANY, AND INTEREST. THIS BOND AND THE OBLIGATION EVIDENCED HEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE ISSUER, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS. THE

ISSUER MAY ISSUE ADDITIONAL OBLIGATIONS ON PARITY WITH THE BONDS IN ACCORDANCE WITH THE TERMS OF THE RESOLUTION.

The Issuer has established a book-entry system of registration for the Bonds. Except as specifically provided otherwise in the Resolution, an agent will hold this Bond on behalf of the beneficial owner thereof. By acceptance of a confirmation of purchase, delivery or transfer, the beneficial owner of this Bond shall be deemed to have agreed to such arrangement.

This Bond is transferable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the designated corporate trust office of the Registrar by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. The Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer shall not be obligated to make any exchange or transfer of the Bonds during the 15 days next preceding an interest payment date or, in the case of any proposed redemption of the Bonds, then, for the Bonds subject to such redemption, during the 15 days next preceding the date of the first mailing of notice of such redemption.

(INSERT REDEMPTION PROVISIONS)

Redemption of this Bond under the preceding paragraphs shall be made as provided in the Resolution upon notice given by first class mail sent at least 30 days prior to the redemption date to the Registered Holder hereof at the address shown on the registration books maintained by the Registrar; provided, however, that failure to mail notice to the Registered Holder hereof, or any defect therein, shall not affect the validity of the proceedings for redemption of other Bonds as to which no such failure or defect has occurred. In the event that less than the full principal amount hereof shall have been called for redemption, the Registered Holder hereof shall surrender this Bond in exchange for one or more Bonds in an aggregate principal amount equal to the unredeemed portion of principal, as provided in the Resolution.

As long as the book-entry only system is used for determining beneficial ownership of the Bonds, notice of redemption will only be sent to Cede & Co. Cede & Co. will be responsible for notifying the DTC Participants (as defined in the Resolution), who will in turn be responsible for notifying the beneficial owners of the Bonds. Any

failure of Cede & Co. to notify any DTC Participant, or of any DTC Participant to notify the beneficial owner of any such notice, will not affect the validity of the redemption of the Bonds.

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, and the rights, duties, immunities and obligations of the Issuer.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

Neither the members of the City Commission of the Issuer nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

[This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Sixth Judicial Circuit of Florida in and for Pinellas County, Florida, rendered on _____, __.]

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City Commission of City of St. Pete Beach, Florida has issued this Bond and has caused the same to be executed by the manual signature of the Mayor, and to be attested by the manual signature of the City Clerk of the City of St. Pete Beach, Florida, and its corporate seal to be affixed or reproduced hereon, all Date of Original Issue.

**CITY OF ST. PETE BEACH,
FLORIDA**

Mayor

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

Registrar

By: _____
Authorized Officer

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by the authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Insert Social Security or Other Identifying Number of Assignee

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____, as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

NOTICE: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be 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

TEN ENT - as tenants by the entireties

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

UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Transfers to Minors Act of _____
(State)

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

ARTICLE III REDEMPTION OF BONDS

SECTION 3.01. PRIVILEGE OF REDEMPTION. The terms of this Article III shall apply to redemption of Bonds other than Capital Appreciation Bonds or Variable Rate Bonds. The terms and provisions relating to redemption of Capital Appreciation Bonds and Variable Rate Bonds shall be provided by Supplemental Resolution. The provisions of this Article III may also be modified pursuant to Supplemental Resolution to accommodate any redemption provisions with respect to Federal Subsidy Bonds. Certain redemption provisions with respect to the Series 2015 Bonds shall be determined in accordance with Section 9.02 hereof.

SECTION 3.02. SELECTION OF BONDS TO BE REDEEMED. The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Issuer shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than 45 days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the Issuer by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5,000 and integral multiples thereof. If less than all of a Term Bond is to be redeemed, the aggregate principal amount to be redeemed shall be allocated to the Amortization Installments on a pro-rata basis unless the Issuer, in its discretion, designates a different allocation.

If less than all of the Outstanding Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the Issuer and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

SECTION 3.03. NOTICE OF REDEMPTION. Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Issuer, and (A) shall be filed with the Paying Agent of such Bonds, (B) shall be mailed first class, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice, and (C) shall be mailed, certified mail, postage prepaid, at least 35 days prior to the redemption date to the registered securities depositories and one or more nationally recognized

municipal bond information services as hereinafter provided in this Section 3.03. Failure to mail such notice to such depositories or services or the Holders of the Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Bonds as to which no such failure or defect has occurred. Such notice shall also be mailed to the Insurer, if any, of such redeemed Bonds. Failure of any Holder to receive any notice mailed as herein provided shall not affect the proceedings for redemption of such Holder's Bonds.

Each notice of redemption shall state: (1) the CUSIP numbers and any other distinguishing number or letter of all Bonds being redeemed, (2) the original issue date of such Bonds, (3) the maturity date and rate of interest borne by each Bond being redeemed, (4) the redemption date, (5) the Redemption Price, (6) the date on which such notice is mailed, (7) if less than all Outstanding Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, (9) that the Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Registrar at an address specified, (10) the name and telephone number of a person designated by the Registrar to be responsible for such redemption, (11) unless sufficient funds have been set aside by the Issuer for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption, and (12) any other conditions that must be satisfied prior to such redemption.

The Issuer may provide that redemption will be contingent upon the occurrence of certain condition(s) and that if such condition(s) do not occur, the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Bondholders not later than three business days prior to the date of redemption.

SECTION 3.04. REDEMPTION OF PORTIONS OF BONDS. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Issuer shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of any authorized denomination, as requested by such Holder in an aggregate

principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

SECTION 3.05. PAYMENT OF REDEEMED BONDS. Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. All Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued.

SECTION 3.06. PURCHASE IN LIEU OF OPTIONAL REDEMPTION. Notwithstanding anything in this Resolution to the contrary, at any time the Bonds are subject to optional redemption pursuant to this Resolution, all or a portion of the Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Paying Agent, as trustee, at the direction of the Issuer, on the date which would be the redemption date if such Bonds were redeemed rather than purchased in lieu thereof, at a purchase price equal to the redemption price which would have been applicable to such Bonds on the redemption date for the account of and at the direction of the Issuer who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by an opinion of Bond Counsel to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such Bonds or any other Outstanding Bonds (other than Taxable Bonds) or shall not otherwise affect the status of any such Bonds issued as Federal Subsidy Bonds or the Issuer's receipt of Federal Subsidy Payments with respect to said Outstanding Federal Subsidy Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Bonds in lieu of optional redemption, no notice to the holders of the Bonds to be so purchased (other than the notice of redemption otherwise required under this Resolution) shall be required, and the Paying Agent, as trustee, shall be authorized to apply to such purchase the funds which would have been used to pay the redemption price for such Bonds if such Bonds had been redeemed rather than purchased. Each Bond so purchased shall not be canceled or discharged and shall be registered in the name of the Issuer. Bonds to be purchased under this Resolution in the manner set forth above which are not delivered to the Paying Agent, as trustee, on the purchase date shall be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former holder thereof on the purchase date.

ARTICLE IV

SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

SECTION 4.01. BONDS NOT TO BE INDEBTEDNESS OF ISSUER. The Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds, in the manner and to the extent provided in this Resolution. No Holder of any Bond shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any moneys of the Issuer except from the Pledged Funds in the manner and to the extent provided herein.

SECTION 4.02. SECURITY FOR BONDS. The payment of the principal of or Redemption Price, if applicable, and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds prior and superior to any other liens or encumbrances on the Pledged Funds; provided, however, a Series of Bonds may be further secured by a Credit Facility or Bond Insurance Policy in addition to the security provided herein; and provided further that a Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a separate subaccount in the Reserve Account for such Series of Bonds. Issuers of a Reserve Account Insurance Policy and Reserve Account Letter of Credit shall be secured in accordance with the provisions hereof. In addition, the Issuer does hereby irrevocably pledge and grant a lien upon the Pledged Funds to the payment of the Policy Costs in accordance with the provisions hereof; provided, however, such pledge and lien shall be junior and subordinate in all respects to the pledge of and lien upon such Pledged Funds granted hereby to the Bondholders. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds in accordance with the provisions hereof. Except as otherwise provided by Supplemental Resolution, the obligation of the Issuer to make Hedge Payments to a Counterparty pursuant to a Qualified Hedge Agreement shall be on parity with the Bonds as to lien on and pledge of the Pledged Funds in accordance with the terms hereof (any other payments related to a Qualified Hedge Agreement, including fees, penalties, termination payments and the obligation to collateralize, shall be Subordinated Indebtedness of the Issuer).

The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Issuer.

SECTION 4.03. CONSTRUCTION FUND. The Issuer covenants and agrees to establish, a special fund to be known as the "City of St. Pete Beach, Florida Capital

Improvement Construction Fund," which shall be used only for payment of the Cost of a Project. Moneys in the Construction Fund, until applied in payment of any item of the Cost of a Project in the manner hereinafter provided, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of this Resolution, and there may be paid into the Construction Fund, at the option of the Issuer, any moneys received for or in connection with a Project by the Issuer from any other source. The Issuer shall establish within the Construction Fund a separate account for each Project, the Cost of which is to be paid in whole or in part out of the Construction Fund. There is hereby established the Series 2015 Project Account pursuant to which proceeds of the Series 2015 Bonds will be deposited and from which Costs of the Series 2015 Project will be paid.

The proceeds of insurance maintained pursuant to this Resolution against physical loss of or damage to a Project, or of contractors' performance bonds with respect thereto pertaining to the period of construction thereof, shall be deposited into the appropriate account of the Construction Fund.

Any moneys received by the Issuer from the State or from the United States of America or any agencies thereof for the purpose of financing part of the Cost of a Project shall be deposited into the appropriate account of the Construction Fund and used in the same manner as other Bond proceeds are used therein; provided that separate accounts or subaccounts may be established in the Construction Fund for moneys received pursuant to the provisions of this paragraph whenever required by Federal or State law.

The Issuer covenants that the acquisition, construction and installation of each Project will be completed without delay and in accordance with sound engineering practices. The Issuer shall make disbursements or payments from the applicable account of the Construction Fund to pay Costs of the Project for which it was established, except as otherwise provided below. The Issuer shall keep records of such disbursements and payments and shall retain all such records for such period of time as required by applicable law. The Issuer shall make available the records at all reasonable times for inspection by any Holder of any of the Bonds or the agent or representative of any Holder of any of the Bonds.

Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in an account of the Construction Fund shall be applied to the payment of principal and interest on the Bonds for which such account was established or to reimburse a provider of a Credit Facility or Bond Insurance Policy for the payment of such principal and interest, when due.

The date of completion of the acquisition, construction and equipping of a Project shall be filed by an Authorized Issuer Officer in the appropriate records of the Issuer. Promptly after the date of the completion of a Project, and after paying or making provision for the payment of all unpaid items of the Cost of such Project, the Issuer shall deposit in the following order of priority any balance of moneys remaining in an account in the Construction Fund in (A) another account of the Construction Fund for which an Authorized Issuer Officer has stated that there are insufficient moneys present to pay the Cost of the related Project, (B) the Reserve Account, to the extent of a deficiency therein, and (C) such other fund or account established hereunder as shall be determined by the Governing Body, provided the Issuer has received an Opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion, if any, of interest on the Bonds (other than Taxable Bonds) from gross income for purposes of Federal income taxation or shall not otherwise affect the status of any Outstanding Bonds issued as Federal Subsidy Bonds or the Issuer's receipt of Federal Subsidy Payments with respect to any Outstanding Federal Subsidy Bonds.

SECTION 4.04. CREATION OF FUNDS AND ACCOUNTS. The Issuer covenants and agrees to establish the following funds and accounts:

(A) The "City of St. Pete Beach, Florida Capital Improvement Revenue Bonds Revenue Fund." The Issuer shall maintain two separate accounts in the Revenue Fund, the "Restricted Revenue Account" and the "Unrestricted Revenue Account."

(B) The "City of St. Pete Beach, Florida Capital Improvement Revenue Bonds Debt Service Fund." The Issuer shall maintain four separate accounts in the Debt Service Fund, the "Interest Account," the "Principal Account," the "Bond Amortization Account" and the "Reserve Account."

(C) The "City of St. Pete Beach, Florida Capital Improvement Revenue Bonds Rebate Fund."

Moneys in the aforementioned funds and accounts, other than the Rebate Fund and the Unrestricted Revenue Account, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The Issuer may at any time and from time to time appoint one or more depositories to hold, for the benefit of the Bondholders, any one or more of the funds, accounts and subaccounts established hereby. Such depository or depositories shall perform at the direction of the Issuer the duties of the Issuer in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Issuer and its agent and employees. Any such

depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and be qualified under applicable State law as a depository.

Notwithstanding the foregoing, none of the aforementioned funds and accounts is required to be established prior to the time any such fund or account is required to be funded or otherwise utilized hereunder.

SECTION 4.05. DISPOSITION OF SALES TAX REVENUES, GUARANTEED ENTITLEMENT REVENUES, FRANCHISE FEE REVENUES AND PUBLIC SERVICE TAX REVENUES. (A) The Issuer shall promptly deposit upon receipt all of the Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fee Revenues and Public Service Tax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the 25th day of each month, commencing in the month immediately following delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, in the following manner and in the following order of priority:

(1) Interest Account. The Issuer shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all of the Outstanding Bonds accrued and unpaid and to accrue to the end of the then current calendar month (assuming that a year consists of twelve (12) equal calendar months of thirty (30) days each). All Hedge Receipts and Federal Subsidy Payments shall be deposited directly to the Interest Account upon receipt. With respect to interest on Bonds which the Issuer has determined are subject to a Hedge Payment, interest on such Bonds during the term of the Qualified Hedge Agreement shall be deemed to include the corresponding Hedge Payments. Moneys in the Interest Account shall be applied by the Issuer (a) for deposit with the Paying Agent to pay the interest on the Bonds on or prior to the date the same shall become due, whether by maturity, redemption or otherwise, and (b) for Hedge Payments. Any Federal Subsidy Payments deposited to the Interest Account shall be deemed to have been applied to the payment of interest on the Federal Subsidy Bonds to which such Payments relate. The Issuer shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date. With respect to debt service on any Bonds which are subject to a Qualified Hedge Agreement, any Hedge Payments due to the Counterparty to such Qualified Hedge Agreement relating to such Bonds shall be paid to the Counterparty to such Qualified Hedge Agreement on a parity basis

with the aforesaid required payments into the Debt Service Fund. In computing the interest on Variable Rate Bonds which shall accrue during a calendar month, the interest rate on such Variable Rate Bonds shall be assumed to be (A) if such Variable Rate Bonds have been Outstanding for at least 24 months prior to the commencement of such calendar month, the highest average interest rate borne by such Variable Rate Bonds for any 30-day period, and (B) if such Variable Rate Bonds have not been Outstanding for at least 24 months prior to the date of calculation, the Bond Buyer Revenue Bond Index most recently published prior to the commencement of such calendar month.

(2) Principal Account. Commencing in the month which is one year prior to the first principal due date (or if the first principal due date is less than one year from the date of issuance of the Bonds, the month immediately following the issuance of the Bonds), the Issuer shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amount on the Outstanding Bonds due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equal calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Issuer for deposit with the Paying Agent to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the years in which such Bonds mature and monthly payments into the Principal Account on account of such Bonds shall commence in the twelfth month immediately preceding the maturity date of such Bonds. The Issuer shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming

that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding Amortization Installment due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner herein provided or as provided by Supplemental Resolution, and for no other purpose. Term Capital Appreciation bonds shall be payable from the Term Bonds Redemption Account in the years in which such Bonds mature and monthly payments into the Bond Amortization Account on account of such Bonds shall commence in the twelfth month immediately preceding the due date of the related Amortization Fund Installments. The Issuer shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

Amounts accumulated in the Bond Amortization Account with respect to any Amortization Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Amortization Installment was established) may be applied by the Issuer, on or prior to the sixtieth (60th) day preceding the due date of such Amortization Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Amortization Installment was established at a price not exceeding par plus accrued interest, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms at a price not exceeding par plus accrued interest. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Amortization Account until such Amortization Installment date, for the purposes of calculating the amount of such Account. As soon as practicable after the sixtieth (60th) day preceding the due date of any such Amortization Installment, the Issuer shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.03 hereof, Term Bonds of the Series and maturity for which such Amortization Installment was established (except in the case of Term Bonds maturing on an Amortization Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Amortization Installment. The Issuer shall pay out of the Bond Amortization Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption

date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the Issuer from the Restricted Revenue Fund.

(4) Reserve Account. There shall next be deposited to the Reserve Account an amount which would enable the Issuer to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto. All deficiencies in the Reserve Account must be made up no later than 12 months from the date such deficiency first occurred, whether such shortfall was caused by an increase in the applicable Reserve Account Requirement, a decrease in the aggregate market value of the investments therein of more than 5% or withdrawal (whether from cash or a Reserve Account Insurance Policy or Reserve Account Letter of Credit). On or prior to each principal payment date and Interest Date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Reserve Account shall be applied by the Issuer to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose. Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement or as a result of a deposit in the Reserve Account of a Reserve Account Letter of Credit or a Reserve Account Insurance Policy, such surplus moneys, to the extent practicable, shall be deposited by the Issuer into the Restricted Revenue Account and applied as directed by Bond Counsel. The Issuer shall promptly inform each Insurer and Credit Bank of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as herein provided, the Issuer shall fund the Reserve Account in an amount at least equal to the applicable Reserve Account Requirement to the extent such Series of Bonds are to be secured by the Reserve Account or any subaccount therein; provided, however, nothing herein shall be construed to require the Issuer to fund the Reserve Account or any subaccount for any Series of Bonds. Upon the adoption of the Supplemental Resolution authorizing the issuance of a Series of Bonds, the Issuer shall determine whether such Series of Bonds shall be secured by the Reserve Account or any subaccount therein and, if the Issuer determines that the Series of Bonds will be secured by a separate subaccount therein, the Issuer shall also establish the Reserve Account Requirement applicable thereto. Such required amount, if any, shall be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the

Reserve Account or subaccount therein over a period of months from the date of issuance of such Series of Bonds, which shall not exceed 36 months.

Notwithstanding the foregoing provisions, in lieu of or in substitution of any required deposits into the Reserve Account or any subaccount therein, the Issuer may cause to be deposited into the Reserve Account or subaccount a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account or subaccount, if any. The Issuer may also substitute a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for cash on deposit in the Reserve Account or a subaccount therein upon compliance with the terms of this Section 4.05(A)(4). Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any Interest Date or redemption date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Resolution and available for such purpose. Upon the initial deposit of any such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit, the provider thereof shall be either (a) an insurer whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in one of the three highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"), or (b) a commercial bank, insurance company or other financial institution which has been assigned a rating in one of the two highest rating categories by at least one of the three Rating Agencies (without regard to gradations, such as "plus" or "minus" or "1," "2" or "3"). Any Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall equally secure all Bonds secured by the Reserve Account or subaccount into which such Policy or Letter of Credit is deposited.

Each Reserve Account Insurance Policy and Reserve Account Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the provider of the Reserve Account Insurance Policy or Reserve Account Letter of Credit to reimbursement will be subordinated to cash replenishment of the Reserve Account or subaccount to an amount equal to the difference between the full original amount available under the Reserve Account Insurance Policy or Reserve Account Letter of Credit and the amount then available for further draws or claims. If (a) the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit becomes insolvent or (b) the provider of a Reserve

Account Insurance Policy or Reserve Account Letter of Credit defaults in its payment obligations thereunder or (c) the rating of the provider of a Reserve Account Insurance Policy falls below a rating of "A-" or "A3" by all of the Rating Agencies then rating such provider or (d) the rating of the provider of a Reserve Account Letter of Credit falls below a rating of "AA-" or "Aa3" by all of the Rating Agencies then rating such provider, the obligation to reimburse the provider of the Reserve Account Insurance Policy or Reserve Account Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account or subaccount. Where applicable, the amount available for draws or claims under a Reserve Account Insurance Policy or Reserve Account Letter of Credit may be reduced by the amount of cash or investments deposited in the Reserve Account or subaccount pursuant to the provisions hereof.

If the revolving reinstatement feature described in the preceding paragraph is suspended or terminated or if the Reserve Account Insurance Policy or Reserve Account Letter of Credit is no longer valid and enforceable, the Issuer shall either (i) deposit into the Reserve Account or subaccount an amount sufficient to cause the cash or investments on deposit in the Reserve Account or applicable subaccount to equal the Reserve Account Requirement on all Outstanding Bonds then secured by such Reserve Account or subaccount, such amount to be paid over the ensuing five years in equal installments deposited at least semi-annually or (ii) replace such instrument with a Reserve Account Insurance Policy or a Reserve Account Letter of Credit meeting the requirements described herein within six months of such occurrence.

If three days prior to an Interest Date or principal payment date, or such other period of time as shall be required by the terms of the Reserve Account Insurance Policy or Reserve Account Letter of Credit, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on the Bonds on such date, the Issuer shall immediately notify (a) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit, (b) the Paying Agent, and (c) the Insurer or Credit Bank, if any, of the amount of such deficiency and the date on which such payment is due.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note or other evidence therefor; provided, however, any such note or evidence (a) shall not be a general obligation of the Issuer the payment of which is secured by the full faith and credit

or taxing power of the Issuer, and (b) shall be payable solely from the Pledged Funds in the manner provided herein. The obligation to reimburse the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit for any Policy Costs shall be subordinate to the payment of Debt Service on the Bonds.

The term "Paying Agent" as used in this Section 4.05(A)(4) may include one or more Paying Agents for the Outstanding Bonds.

Whenever the amount of cash in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Debt Service Fund for the payment of the Bonds.

The Issuer may also establish a separate subaccount in the Reserve Account for any Series of Bonds and such subaccount shall be pledged to the payment of such Series of Bonds apart from the pledge provided herein. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Account Requirement relating to such separate subaccount of the Reserve Account at such level as the Issuer deems appropriate. In the event the Issuer by Supplemental Resolution establishes the Reserve Account Requirement for a particular Series of Bonds to be zero (0.00) or it shall determine that such Series are not to be secured in any manner by the Reserve Account or a subaccount, then it shall not be required to establish a separate subaccount; provided, however, such Series of Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account. Moneys used to replenish the Reserve Account shall be deposited in the separate subaccounts in the Reserve Account and in the Reserve Account on a pro-rata basis.

If, in accordance with Section 2.02 hereof, the City Manager determines that the Reserve Account Requirement with respect to the Series 2015 Bonds shall be greater than \$0.00, then the City Manager may determine, upon the advice of the Financial Advisor, that there be established a separate subaccount within the Reserve Account which shall only secure the Series 2015 Bonds (the "Series 2015 Subaccount").

In the event the Issuer shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in the Reserve Account or any subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance Policy or Reserve Account Letter of Credit. The provisions of any insurance agreements executed in connection with any such Policy or Letter of Credit, when executed and delivered, shall be incorporated herein by reference. The provisions of such agreements shall supersede the provisions hereof to the extent of any conflict herewith.

(5) Unrestricted Revenue Account. The balance of any moneys after the deposits required by Sections 4.05(A)(1) through (A)(4) hereof may be transferred, at the discretion of the Issuer, to the Unrestricted Revenue Account or any other appropriate fund and account of the Issuer and may be used for any lawful purpose including, without limitation, the early redemption of Bonds. In the event moneys on deposit in the Interest Account and the Principal Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due on such Interest Date, the Issuer shall transfer moneys from the Unrestricted Revenue Account, if any, to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

(B) The Issuer, in its discretion, may use moneys in the Principal Account, the Bond Amortization Account and the Interest Account to purchase or redeem Outstanding Bonds coming due on the next principal payment date, provided such purchase or redemption does not adversely affect the Issuer's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased or redeemed.

(C) At least one business day prior to the date established for payment of any principal of or interest on the Bonds, the Issuer shall withdraw from the appropriate Account of the Debt Service Fund sufficient moneys to pay such principal or interest and deposit such moneys with the Paying Agent. Such deposits with the Paying Agent shall be made in moneys available to make payments of the principal of and interest on the Bonds as the same becomes due.

(D) In the event the Issuer shall issue a series of Bonds secured by a Credit Facility, the Issuer may establish such separate subaccounts in the Interest Account, the Principal Account and the Bond Amortization Account to provide for payment of the principal of and interest on such Series as may be required by the Credit Facility Provider; provided one Series of Bonds shall not have preference in payment from Pledged Funds over any other Series of Bonds. The Issuer may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in this Section 4.05 as shall be necessary to pay the principal of and interest on such Bonds

as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds. In the case of Bonds secured by a Credit Facility, amounts on deposit in any subaccounts established for such Bonds may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Facility Provider for amounts drawn under such Credit Facility to pay the principal of or redemption price, if applicable, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the Holders thereof for payment.

SECTION 4.06. REBATE FUND. Amounts on deposit in the Rebate Fund shall be held in trust by the Issuer and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Revenue Fund) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. For any Series of Bonds for which the rebate requirements of Section 148(f) of the Code are applicable, the Issuer agrees to undertake all actions required of it in its arbitrage certificate relating to such Series of Bonds, including, but not limited to:

(A) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the Issuer such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(D) keeping such records of the determinations made pursuant to this Section 4.06 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Bonds.

The provisions of the above-described arbitrage certificates may be amended without the consent of any Holder, Credit Bank or Insurer from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

SECTION 4.07. INVESTMENTS. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund, other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such Fund or Account. Moneys on deposit in the Reserve Account may be invested and reinvested in Authorized

Investments which mature no later than ten (10) years from the date of investment. All investments shall be valued at market at least annually as of September 30 or each year.

Any and all income received by the Issuer from the investment of moneys in the Construction Fund, the Interest Account, the Principal Account, the Bond Amortization Account, the Restricted Revenue Account and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement) shall be retained in such respective Fund or Account. Any and all income received by the Issuer from the investment of moneys in the Reserve Account (only to the extent such income and other amounts in the Reserve Account exceeds the Reserve Account Requirement) shall be deposited in the Interest Account.

Nothing contained in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

SECTION 4.08. SEPARATE ACCOUNTS. The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established herein may be deposited in a single bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as herein provided.

The designation and establishment of the various funds, accounts and subaccounts 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 for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE V
SUBORDINATED INDEBTEDNESS, ADDITIONAL BONDS
AND COVENANTS OF ISSUER

SECTION 5.01. SUBORDINATED INDEBTEDNESS. The Issuer will not issue any other obligations payable from the Pledged Funds or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon except in compliance with the provisions of Section 5.02. The Issuer may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of the Pledged Funds and which may be secured by a pledge of the Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Resolution and provided further that the issuance of such Subordinated Indebtedness shall be subject to any provisions contained in financing documents securing outstanding Subordinated Indebtedness to the extent such provisions impact on the ability of the Issuer to issue Subordinated Indebtedness. The Issuer shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued pursuant to Section 5.02 hereof. The Issuer agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

SECTION 5.02. ISSUANCE OF ADDITIONAL BONDS. No Additional Bonds, payable on a parity with the Bonds then Outstanding pursuant to this Resolution, shall be issued except upon the conditions and in the manner herein provided.

The Issuer may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing or refinancing the Costs of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the Issuer or any other indebtedness of the Issuer that it may lawfully refund with proceeds of Bonds. No such Additional Bonds shall be issued unless (1) no Event of Default (as specified in Section 6.01 hereof) shall have occurred and be continuing hereunder and (2) the following conditions are complied with:

(A) Except as otherwise provided in Section 5.02(D) hereof, there shall have been obtained and filed with the Issuer a statement of the City Manager: (1) stating that he or she has examined the books and records of the Issuer relating to the Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fee Revenues and Public Services Tax Revenues which have been received by the Issuer; (2) setting forth the amount of such Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fee Revenues and Public Service Tax Revenues during any twelve (12) consecutive months designated by the Issuer within the twenty-four (24) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made;

and (3) stating that the aggregate amount of such Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fee Revenues and Public Service Tax Revenues received during the aforementioned 12 month period equals at least 1.50 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional Bonds with respect to which such statement is made. Such report may be partially based upon a certification of certain matters related to the calculation of the Maximum Annual Debt Service by the Issuer's Financial Advisor.

(B) For the purpose of determining the Debt Service under this Section 5.02, the interest rate on Additional Bonds that are proposed to be as Variable Rate Bonds shall be deemed to be the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(C) For the purpose of determining the Debt Service under this Section 5.02, the interest rate on Outstanding Variable Rate Bonds (not subject to a Qualified Hedge Agreement) shall be deemed to be (i) if such Variable Rate Bonds have been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the highest of (a) the actual rate of interest borne by such Variable Rate Bonds on the date of sale, and (b) the average interest rate borne by such Variable Rate Bonds during the 12-month period preceding the date of sale, or (ii) if such Variable Rate Bonds have not been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the higher of (a) the actual rate of interest borne by the Variable Rate Bonds on the date of sale, and (b) the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(D) Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to this Resolution. Except as otherwise provided in Sections 4.02 and 4.05 hereof, all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other; provided, however, that the Issuer shall include a provision in any Supplemental Resolution authorizing the issuance of Variable Rate Additional Bonds pursuant to this Section 5.02 that in the event the principal thereof is accelerated due to such Bonds being held by the Credit Facility Provider, the lien of any accelerated debt due and owing such Credit Facility Provider on the Pledged Funds shall be subordinate in all respects to the pledge of the Pledged Funds created by this Resolution.

(E) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of Section 5.02(A) hereof shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of

aggregate debt service. The conditions of Section 5.02(A) hereof shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

SECTION 5.03. BOND ANTICIPATION NOTES. The Issuer may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Resolution, as shall be provided by resolution of the Issuer.

SECTION 5.04. ACCESSION OF SUBORDINATED INDEBTEDNESS TO PARITY STATUS WITH BONDS. The Issuer may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the Issuer shall meet all the requirements imposed upon the issuance of Additional Bonds by Section 5.02 hereof, assuming, for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds and (B) the Reserve Account, upon such accession, shall contain an amount equal to the Reserve Account Requirement in accordance with Section 4.05(A)(4) hereof. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in this Resolution.

SECTION 5.05. BOOKS AND RECORDS. The Issuer will keep books and records of the receipt of the Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fee Revenues and Public Service Tax Revenues in accordance with generally accepted accounting principles, and any Credit Facility Provider, or Holder or Holders of at least \$1,000,000 aggregate principal amount of Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the Issuer relating thereto.

SECTION 5.06. NO IMPAIRMENT. The pledging of the Pledged Funds in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution, agreement or other proceedings of the Issuer.

SECTION 5.07. RECEIPT OF SALES TAX REVENUES, GUARANTEED ENTITLEMENT REVENUES, FRANCHISE FEE REVENUES AND PUBLIC SERVICE TAX REVENUES. The Issuer covenants to do all things necessary or required on its part by the Act or otherwise to entitle the Issuer to receive the Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fee Revenues and the Public Service Tax Revenues in the amounts currently provided under the Act and pursuant to the Public Service Tax Ordinance and the Franchise Fees Instruments. The Issuer shall exercise all legally available remedies to enforce such receipt now or hereafter available under law. The Issuer will not take any action or enter into any agreement that shall result in impairing or reducing the level of Sales Tax Revenues or Guaranteed Entitlement Revenues or Franchise Fee Revenues or Public Service Tax

Revenues received by the Issuer from that level prevailing at the time the Issuer takes such action or enters into such agreement. The Issuer shall not amend the Franchise Fees Instruments in any manner which would reduce the amount of Franchise Fees Revenues received by the Issuer. The Issuer shall not amend the Public Service Tax Ordinance in any manner which would reduce the amount of Public Service Tax Revenues received by the Issuer.

SECTION 5.08. FEDERAL INCOME TAX COVENANTS. (A) The Issuer covenants with the Holders of the Bonds (other than Taxable Bonds and Federal Subsidy Bonds) that it shall not use the proceeds of the Bonds in any manner which would cause the interest on the Bonds to be or become includable in gross income for purposes of federal income taxation.

(B) The Issuer covenants with the Holders of the Bonds (other than Taxable Bonds and Federal Subsidy Bonds) that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of the Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and neither the Issuer nor any other Person shall do any act or fail to do any act which would cause the interest on the Bonds to become includable in gross income for purposes of federal income taxation.

(C) The Issuer hereby covenants with the Holders of the Bonds (other than Taxable Bonds and Federal Subsidy Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

SECTION 5.09. COVENANTS RELATING TO FEDERAL SUBSIDY BONDS. The Issuer covenants with respect to any Bonds issued as Federal Subsidy Bonds that it will:

(A) File, on a timely basis, Internal Revenue Service Form 8038-CP or such other form or forms required by the United States Department of Treasury to receive Federal Subsidy Payments in connection with any Bonds issued as Federal Subsidy Bonds.

(B) Deposit promptly the Federal Subsidy Payments received from the United States Department of Treasury, if any, to the Interest Account of the Debt Service Fund to pay interest on the Federal Subsidy Bonds.

(C) Comply with all provisions of the Code, all Treasury Regulations promulgated thereunder, and any applicable notice, ruling or other formal interpretation issued by the United States Department of Treasury or the Internal Revenue Service, in

order for the Bonds issued as Federal Subsidy Bonds to be and to remain Federal Subsidy Bonds.

(D) Not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the Issuer's receipt of Federal Subsidy Payments or the status of the Bonds issued as Federal Subsidy Bonds, or any portion thereof, as Federal Subsidy Bonds. The Issuer covenants that it will not directly or indirectly use or permit the use of any proceeds of Bonds issued as Federal Subsidy Bonds or any other of its funds or take or omit to take any action that would cause the Bonds issued as Federal Subsidy Bonds to be or become "arbitrage bonds" within the meaning of Section 148(a) or to fail to meet any other applicable requirements of the Code.

ARTICLE VI DEFAULTS AND REMEDIES

SECTION 6.01. EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of Amortization Installment, redemption premium or interest on any Bond when due. In determining whether a payment default has occurred, no effect shall be given to payment made under a Bond Insurance Policy.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as a bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of 90 days after written notice of such default shall have been received from the Holders of not less than 25% of the aggregate principal amount of Bonds Outstanding. Notwithstanding the foregoing, the Issuer shall not be deemed to be in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until default has been corrected; provided, however, no such curative action shall exceed 90 days without the prior written consent of the Insurers.

SECTION 6.02. REMEDIES. Any Holder of Bonds issued under the provisions of this Resolution or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof; provided, however, that no Holder, trustee or receiver shall have the right to declare the Bonds immediately due and payable without the consent of any affected Insurers except to the extent the acceleration of any Bonds that bear interest at a variable rate and that are secured by a Credit Facility is

provided for in a Supplemental Resolution, the provisions of which are approved by the Insurers.

The Holder or Holders of Bonds in an aggregate principal amount of not less than 25% of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the City Clerk. Notice of such appointment, together with evidence of the requisite signatures of the Holders of not less than 25% in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the Issuer and the trustee and notice of such appointment shall be given to all Holders of Bonds in the same manner as notices of redemption are given hereunder. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the Holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

SECTION 6.03. DIRECTIONS TO TRUSTEE AS TO REMEDIAL PROCEEDINGS. The Holders of a majority in principal amount of the Bonds then Outstanding (or any Insurer insuring any then Outstanding Bonds) have the right, by an instrument or concurrent instruments in writing executed and delivered to the trustee, to direct the method and place of conducting all remedial proceedings to be taken by the trustee hereunder with respect to the Series of Bonds owned by such Holders or insured by such Insurer, provided that such direction shall not be otherwise than in accordance with law or the provisions hereof, and that the trustee shall have the right to decline to follow any direction which in the opinion of the trustee would be unjustly prejudicial to Holders of Bonds not parties to such direction.

SECTION 6.04. REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 6.05. WAIVER OF DEFAULT. No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 6.02 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient.

SECTION 6.06. APPLICATION OF MONEYS AFTER DEFAULT. If an Event of Default shall happen and shall not have been remedied, the Issuer or a trustee or receiver appointed for the purpose shall apply all Pledged Funds (except as for amounts in the subaccounts of the Reserve Account which shall be applied to the payment of the Series of Bonds for which they were established) as follows and in the following order:

A. To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver and Registrar hereunder;

B. To the payment of the interest (including Hedge Payments) and principal or Redemption Price, if applicable, then due on the Bonds, as follows:

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the Persons entitled thereto of all installments of interest (including Hedge Payments) then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference;

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity or upon mandatory redemption prior to maturity (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of Section 8.01 of this Resolution), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference; and

THIRD: to the payment of the Redemption Price of any Bonds called for optional redemption pursuant to the provisions of this Resolution.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest (including Hedge Payments) then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any

other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

C. To the payment of all amounts owed to the Insurers not covered by A or B above and all amounts owed to Counterparties not covered by A or B above.

SECTION 6.07. CONTROL BY INSURER. To the extent an Insurer makes any payment of principal of or interest on Bonds in accordance with its Bond Insurance Policy, such Insurer shall become subrogated to the rights of the recipients of such payments in accordance with the terms of its Bond Insurance Policy. Upon the occurrence and continuance of an Event of Default, an Insurer of a Series of Bonds, if such Insurer shall not be in payment default under its Bond Insurance Policy, shall be deemed to be the sole owner of such Bonds for purposes of (A) directing and controlling the enforcement of all rights and remedies with respect to such Series of Bonds, including any waiver of an Event of Default and removal of any trustee, and (B) exercising any voting right or privilege or giving any consent or direction or taking any other action that the Holders of such Bonds are entitled to take pursuant to this Article VI hereof. No provision expressly recognizing or granting rights in or to an Insurer shall be modified without the consent of such Insurer. An Insurer's rights under this Section 6.07 shall be suspended during any period in which such Insurer is in default in its payment obligations under its Bond Insurance Policy (except to the extent of amounts previously paid by such Insurer and due and owing to such Insurer) and shall be of no force or effect if its Bond Insurance Policy is no longer in effect or if the Insurer asserts that its Bond Insurance Policy is not in effect or if the Insurer waives such rights in writing. The rights granted to an Insurer under this Section 6.07 are granted in consideration of such Insurer issuing its Bond Insurance Policy. The Issuer shall provide each Insurer immediate notice of any Event of Default described in Section 6.01(A) hereof and notice of any other Event of Default occurring hereunder within 30 days of the occurrence thereof. Each Insurer of any Bonds hereunder shall be considered a third-party beneficiary to the Resolution with respect to such Bonds.

ARTICLE VII SUPPLEMENTAL RESOLUTIONS

SECTION 7.01. SUPPLEMENTAL RESOLUTION WITHOUT BONDHOLDERS' CONSENT. The Issuer, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Resolution other conditions, limitations and restrictions thereafter to be observed.

(D) To add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(E) To specify and determine the matters and things referred to in Sections 2.01 or 2.02 hereof, including the issuance of Additional Bonds, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.

(F) To authorize Projects or to change or modify the description of any Project.

(G) To specify and determine matters necessary or desirable for the issuance of Variable Rate Bonds, Federal Subsidy Bonds or Capital Appreciation Bonds.

(H) To provide for the establishment of a separate subaccount or subaccounts in the Reserve Account which shall independently secure one or more Series of Bonds.

(I) To make any other change that, in the opinion of the Issuer, would not materially adversely affect the interests of the Holders of the Bonds. In making such determination, the Issuer shall not take into consideration any Bond Insurance Policy.

SECTION 7.02. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS', INSURERS' AND CREDIT BANKS' CONSENTS. Subject to the terms and provisions contained in this Section 7.02 and Sections 7.01 and 7.03 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolutions hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series or maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 7.02. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 7.02 shall also require the written consent of any Credit Bank that has provided a Credit Facility and the Insurer of any Bonds which are Outstanding at the time such Supplemental Resolution shall take effect if such Insurer and Credit Bank are not in payment default under their Bond Insurance Policy or Credit Facility, as the case may be. No Supplemental Resolution may be approved or adopted which shall permit or require, without the consent of all affected Bondholders, (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the Redemption Price or the rate of interest thereon, (C) the creation of a lien upon or a pledge of the Pledged Funds other than the lien and pledge created by this Resolution, or except as otherwise permitted or provided hereby, which materially adversely affects any Bondholders, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds (except as to the establishment of separate subaccounts in the Reserve Account provided in Section 4.05(A)(4) hereof), or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or the Insurers or the Credit Banks of the adoption of any Supplemental Resolution as authorized in Section 7.01 hereof.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 7.02, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Clerk and the Registrar for inspection by all Bondholders. The Issuer shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by this Section 7.02 to be mailed and

any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 7.02.

Whenever the Issuer shall deliver to the Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Issuer from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 7.02, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

Notwithstanding any other provision of this Section 7.02, Holders of Bonds shall be deemed to have provided consent pursuant to this Section 7.02 if the offering document for such Bonds expressly describes the Supplemental Resolution and the amendments to this Resolution contained therein and states by virtue of the Holders' purchase of such Bonds the Holders are deemed to have notice of, and consented to, such Supplemental Resolution and amendments.

SECTION 7.03. AMENDMENT WITH CONSENT OF INSURERS AND CREDIT BANKS ONLY. For purposes of amending this Resolution pursuant to Section 7.02 hereof, an Insurer of Bonds and the Credit Bank providing a Credit Facility shall be considered the Holder of such Bonds which it has insured or provided a Credit Facility; provided that such Insurer and Credit Bank is not in default with respect to its obligations under its Bond Insurance Policy or Credit Facility, and the consent of the Holders of such Bonds shall not be required if the Insurer of such Bonds and any such

Credit Bank shall consent to the amendment as provided by this Section 7.03. At least 15 days prior to adoption of any amendment made pursuant to this Section 7.03, notice of such amendment shall be delivered to the Rating Agencies then rating the Bonds. Upon filing with the Clerk of evidence of such consent the Insurers and Credit Banks as aforesaid, the Issuer may adopt such Supplemental Resolution. After the adoption by the Issuer of such Supplemental Resolution, notice thereof shall be mailed in the same manner as notices of an amendment under Section 7.03 hereof. Notwithstanding the foregoing, the consent of all affected Bondholders shall still be required with respect to any amendment set forth in Clauses (A), (B), (C), (D) or (E) in the first paragraph of Section 7.02 hereof.

ARTICLE VIII DEFEASANCE

SECTION 8.01. DEFEASANCE. If (A) the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of any Series of Bonds the principal and interest or Redemption Price due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, and (B) the Issuer shall pay all Policy Costs owing to any provider of a Reserve Account Letter of Credit or Reserve Account Insurance Policy and all amounts owing to the Insurers, then all covenants, agreements and other obligations of the Issuer to the holders of such Series of Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Issuer all money or securities held by them pursuant to this Resolution which are not required for payment or redemption of any Series of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto shall be deemed to have been paid within the meaning of this Section 8.01 if (i) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (ii) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Refunding Securities verified by an independent certified public accountant to be in such amount that the principal of and the interest on or redemption price which when due will provide moneys which, together with the moneys, if any, deposited with such banking institution or trust company at the same time shall be sufficient, to pay the principal of and interest due and to become due on said Bonds on and prior to the maturity date thereof. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such banking institution or trust company nor any moneys received by such bank or trust company on account of principal of or redemption price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or redemption price of the Bonds for the payment of which they were deposited and the interest accruing thereon to the date of maturity; provided, however, the Issuer may substitute new Refunding Securities and moneys for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of and interest on or redemption price of the refunded Bonds.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in

accordance with this Section 8.01, the interest to come due on such Variable Rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to satisfy this Section 8.01, such excess shall be paid to the Issuer free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Resolution. If adequate provision cannot be made, then such Variable Rate Bonds may not be defeased under this Section 8.01.

If Bonds are not to be redeemed or paid within 60 days after any such defeasance described in this Section 8.01, the Issuer shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 8.01 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 8.01 and stating such maturity date upon which moneys are to be available for the payment of the principal of and interest on or redemption price of said Bonds. Failure to provide said notice shall not affect the Bonds being deemed to have been paid in accordance with the provisions of this Section 8.01.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

Notwithstanding anything herein to the contrary, in the event that the principal of or interest due on the Bonds shall be paid by an Insurer or Insurers, such Bonds shall remain Outstanding, shall not be defeased or otherwise satisfied and shall not be considered paid by the Issuer, and the pledge of the Pledged Funds and all covenants, agreements and other obligations of the Issuer to the Bondholders shall continue to exist and such Insurer or Insurers shall be subrogated to the rights of such Bondholders.

ARTICLE IX
PROVISIONS RELATING TO SERIES 2015 BONDS

SECTION 9.01. CONDITIONS TO EXECUTION OF PURCHASE CONTRACT. The Purchase Contract described in Section 2.02 hereof shall not be executed by the City Manager until such time as all of the following conditions have been satisfied:

(A) Receipt by the City Manager of a written offer to purchase the Series 2015 Bonds by the Underwriters substantially in the form of the Purchase Contract attached hereto as Exhibit A, said offer to provide for, among other things, (i) not exceeding \$13,000,000 aggregate principal amount of Series 2015 Bonds, (ii) an underwriting discount (including management fee and expenses) not in excess of 0.60% of the aggregate par amount of the Series 2015 Bonds, (iii) a true interest cost with respect to the Series 2015 Bonds of no more than 5.00%, as determined by the Financial Advisor, and (iv) the maturities of the Series 2015 Bonds with the final maturity being not later than May 1, 2045.

(B) With respect to optional redemption terms, if any, for the Series 2015 Bonds, the first optional redemption date may be no later than May 1, 2025 and there shall be no call premium. Term Bonds may be established for the Series 2015 Bonds with such Amortization Installments as the City Manager may determine upon the advice of the Financial Advisor.

(C) Receipt by the City Manager of a disclosure statement and a truth-in-bonding statement of the Underwriters dated the date of the Purchase Contract and complying with Section 218.385, Florida Statutes.

(D) Receipt by the City Manager from the Underwriters of a good faith deposit in an amount at least equal to 1.00% of the preliminary aggregate principal amount of the Series 2015 Bonds set forth on the cover page of the hereinafter described Preliminary Official Statement.

(E) The City Manager shall have determined, upon the advice of the Financial Advisor, whether any of the Series 2015 Bonds will be insured by the Bond Insurance Policy described in Section 9.09 hereof. The City Manager shall also determine, upon the advice of the Financial Advisor, the Reserve Account Requirement for the Series 2015 Bonds which Reserve Account Requirement may be \$0.00. If the Reserve Account Requirement is determined by the City Manager to be greater than \$0.00, the City Manager shall determine, upon the advice of the Financial Advisor, whether to fund the Reserve Account with cash or the Reserve Account Insurance Policy described in Section 9.09 hereof.

Upon satisfaction of all the requirements set forth in this Section 9.01, the City Manager is authorized to execute and deliver the Purchase Contract containing terms complying with the provisions of this Section 9.01 and the Series 2015 Bonds shall be sold to the Underwriters pursuant to the provisions of such Purchase Contract.

SECTION 9.02. REDEMPTION PROVISIONS. The Series 2015 Bonds may be redeemed prior to their respective maturities as may be determined by the City Manager, in his discretion and upon the advice of the Financial Advisor, subject to the conditions contained in Section 9.01 hereof and as described in the Purchase Contract. The City Manager may, in his discretion, and upon the advice of the Financial Advisor, determine that any of the Series 2015 Bonds shall not be subject to redemption prior to their respective maturities. The City Manager, upon the advice of the Financial Advisor, may determine whether any of the Series 2015 Bonds shall be Term Bonds and the Amortization Installments with respect thereto.

SECTION 9.03. BOOK-ENTRY. Notwithstanding the provisions set forth in Section 2.07 hereof, the Series 2015 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2015 Bond for each of the maturities of the Series 2015 Bonds. Upon initial issuance, the ownership of each such Series 2015 Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). As long as the Series 2015 Bonds shall be registered in the name of Cede & Co., all payments on the Series 2015 Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Bondholder of the Series 2015 Bonds.

With respect to Series 2015 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (a "Participant"). Without limiting the immediately preceding sentence, the Issuer, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2015 Bonds, (B) the delivery to any Participant or any other person other than a Series 2015 Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2015 Bonds, or (C) the payment to any Participant or any other person, other than a Series 2015 Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal or interest of the Series 2015 Bonds. The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2015 Bond is registered in the registration books kept by the Registrar as the Bondholder and absolute owner of such Series 2015 Bond for the purpose of payment of principal or interest with respect to such Series 2015 Bond, for the purpose of giving notices and other matters with respect to such Series 2015 Bond, for

the purpose of registering transfers with respect to such Series 2015 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal or interest of the Series 2015 Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and in the Resolution and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal or interest of the Series 2015 Bonds to the extent of the sum or sums so paid. No person other than a Series 2015 Bondholder, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2015 Bond evidencing the obligation of the Issuer to make payments of principal or interest pursuant to the provisions hereof. Upon delivery by DTC to the Issuer of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co." in the Resolution shall refer to such new nominee of DTC; and upon receipt of such notice, the Issuer shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (A) receipt by the Issuer of written notice from DTC (i) to the effect that a continuation of the requirement that all of the outstanding Series 2015 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2015 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Issuer, in its sole discretion, that such book-entry only system should be discontinued by the Issuer, the Series 2015 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but shall be registered in whatever name or names Bondholders shall designate, in accordance with the provisions of the Resolution. In such event, the Issuer shall issue and the Registrar shall authenticate, transfer and exchange Series 2015 Bonds consistent with the terms of the Resolution, in denominations of \$5,000 or any integral multiple thereof to the holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the existing Blanket Issuer Letter of Representations previously executed by the Issuer and delivered to DTC shall apply to the payment of principal and interest on the Series 2015 Bonds.

SECTION 9.04 APPLICATION OF SERIES 2015 BOND PROCEEDS.

Subject in all respects to the satisfaction of the conditions set forth in Section 9.01 hereof, the proceeds derived from the sale of the Series 2015 Bonds shall be applied by the Issuer simultaneously with the delivery thereof as follows:

(A) A sufficient amount of Series 2015 Bond proceeds shall be deposited to the Series 2015 Project Account of the Construction Fund and shall be applied in accordance with the provisions hereof to pay Costs of the acquisition, construction, and equipping of the Series 2015 Project. Such deposited amounts may be used to reimburse the Issuer for any moneys previously expended by the issuer for Costs of the Series 2015 Project so long as the Issuer complies with the applicable provisions of the Code regarding reimbursement.

(B) If the City Manager determines that any of the Series 2015 Bonds will be insured by the Bond Insurance Policy described in Section 9.09 hereof, a sufficient amount of the Series 2015 Bond proceeds will be applied to the payment of the premium for such Bond Insurance Policy.

(C) If the City Manager determines that the Reserve Account Requirement is greater than \$0.00, then a sufficient amount of the Series 2015 Bond proceeds will either be deposited to the Series 2015 Subaccount established in Section 4.05(A)(4) hereof or applied to the payment of the premium for the Reserve Account Insurance Policy described in Section 9.09 hereof.

(D) The remainder of the proceeds of the Series 2015 Bond shall be applied to the payment of costs and expenses relating to the issuance of the Series 2015 Bond.

SECTION 9.05. PRELIMINARY OFFICIAL STATEMENT. The Issuer hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as Exhibit B in connection with offering the Series 2015 Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, the City Manager is hereby authorized to approve such insertions, changes and modifications. Any Authorized Issuer Officer is each hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") in the form as mailed. Execution of a certificate by an Authorized Issuer Officer deeming the Preliminary Official Statement "final" as described above shall be conclusive evidence of the approval of any insertions, changes or modifications.

SECTION 9.06. OFFICIAL STATEMENT. Subject in all respects with the satisfaction of the conditions set forth in Section 9.01 hereof, the City Manager is hereby authorized and directed to execute and deliver a final Official Statement, dated the date of the execution of the Purchase Contract, which shall be in substantially the form of the Preliminary Official Statement, in the name and on behalf of the Issuer, and thereupon to cause such Official Statement to be delivered to the Underwriters with such changes, amendments, modifications, omissions and additions as may be approved by the City Manager. Said Official Statement, including any such changes, amendments,

modifications, omissions and additions as approved by the City Manager, and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2015 Bonds to the public. Execution by the City Manager of the Official Statement shall be deemed to be conclusive evidence of the approval of such changes.

SECTION 9.07. APPOINTMENT OF PAYING AGENT AND REGISTRAR. Subject in all respects with the satisfaction of the conditions set forth in Section 9.01 hereof, U.S. Bank National Association, Orlando, Florida, is hereby designated Registrar and Paying Agent for the Series 2015 Bonds. The City Manager is hereby authorized to execute and deliver and the Clerk is authorized to attest any agreements prepared by Bond Counsel and reviewed by the City Attorney that are necessary to engage the Paying Agent and Registrar.

SECTION 9.08. SECONDARY MARKET DISCLOSURE. Subject in all respects to the satisfaction of the conditions set forth in Section 9.01 hereof, the Issuer hereby covenants and agrees that, in order to provide for compliance by the Issuer with the secondary market disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement to be executed by the Issuer and Digital Assurance Certification, L.L.C. and dated the dated date of the Series 2015 Bonds, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Agreement shall be substantially in the form of Exhibit C hereto with such changes, amendments, modifications, omissions and additions as shall be approved by the City Manager who is hereby authorized to execute and deliver such Agreement. Notwithstanding any other provision of the Resolution, failure of the Issuer to comply with such Continuing Disclosure Agreement shall not be considered an Event of Default under the Resolution; provided, however, to the extent permitted by law, the sole and exclusive remedy of any Series 2015 Bondholder for the enforcement of the provisions of the Continuing Disclosure Agreement shall be an action for mandamus or specific performance, as applicable, by court order, to cause the Issuer to comply with its obligations under this Section 9.09 and the Continuing Disclosure Agreement. For purposes of this Section 9.09, "Series 2015 Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2015 Bonds (including persons holding such Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any such Bond for federal income tax purposes. Digital Assurance Certification, L.L.C. is hereby appointed as the initial dissemination agent for the Series 2015 Bonds.

SECTION 9.09. MUNICIPAL BOND INSURANCE; RESERVE ACCOUNT INSURANCE. (A) Attached hereto as Exhibit D are certain provisions relating to the standard municipal bond insurance policy of Assured Guaranty Municipal

Corp. (the "Insurer"). If the City Manager determines, upon the advice of the Financial Advisor, that all or any portion of the Series 2015 Bonds (the "Insured Series 2015 Bonds") will be insured by a Bond Insurance Policy, then the insurance provisions contained in Exhibit D shall be incorporated herein with respect to the Insured Series 2015 Bonds in substantially the form contained in such Exhibit D, with such changes or modifications as may be approved by the City Manager. Any such changes or modifications may be evidenced by the execution of an agreement between the Issuer and the Insurer. Payment for the premium for the Bond Insurance Policy is hereby authorized from proceeds of the Series 2015 Bonds. Subject in all respects to the satisfaction of the conditions set forth in Section 2.02 hereof, so long as the Bond Insurance Policy issued by the Insurer is in full force and effect and the Insurer has not defaulted in its payment obligations under the Bond Insurance Policy, the Issuer agrees to comply with the provisions contained in Exhibit D. If the City Manager determines that none of the Series 2015 Bonds shall be insured by a municipal bond insurance policy, then all of the provisions contained in Exhibit D shall be disregarded and shall be considered void and of no force and effect.

(B) Attached hereto as Exhibit E is the standard insurance agreement for a reserve account insurance policy of the Insurer. If the City Manager determines, upon the advice of the Financial Advisor, to utilize a Reserve Account Insurance Policy, then the City Manager is authorized to enter into an insurance agreement in substantially the form contained in Exhibit E, with such changes as may be approved by the City Manager in order to cause the Insurer to issue the Reserve Account Insurance Policy (the "Insurance Agreement"). Execution by the City Manager shall be deemed conclusive evidence of the approval of such changes. The provisions of such Insurance Agreement, if and when executed and delivered, shall be incorporated herein by reference, and to the extent there are any conflicts between the Insurance Agreement and this Resolution, the provisions of the Insurance Agreement shall control. If the City Manager determines not to utilize a Reserve Account Insurance Policy, then the Insurance Agreement shall not be executed and all of the provisions thereof shall be disregarded and shall be considered void and of no force and effect.

ARTICLE X MISCELLANEOUS

SECTION 10.01. CAPITAL APPRECIATION BONDS. For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Resolution, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Issuer or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to this Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

SECTION 10.02. SALE OF BONDS. The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and other applicable provisions of law.

SECTION 10.03. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bonds issued hereunder.

SECTION 10.04. VALIDATION AUTHORIZED. To the extent deemed necessary by Bond Counsel or desirable by the City Attorney, Bond Counsel is authorized to institute appropriate proceedings for validation of a Series of Bonds herein authorized pursuant to Chapter 75, Florida Statutes.

SECTION 10.05. REPEAL OF INCONSISTENT RESOLUTIONS. All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 10.06. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

DULY ADOPTED this 12th day of May, 2015.

CITY OF ST. PETE BEACH, FLORIDA

(SEAL)

By: _____
Maria Lowe, Mayor

ATTEST:

Rebecca C. Haynes, City Clerk

EXHIBIT A

FORM OF PURCHASE CONTRACT

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT

EXHIBIT C

FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT D

BOND INSURANCE POLICY PROVISIONS

EXHIBIT E

FORM OF INSURANCE AGREEMENT

\$ _____
CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2015

PURCHASE CONTRACT

_____, 2015

City Commission of City of St. Pete Beach
155 Corey Avenue
St. Pete Beach, Florida 33706

Ladies and Gentlemen:

On the basis of the representations, warranties, and covenants, and upon the terms and conditions, contained in this Purchase Contract (the "Contract"), the undersigned, Stifel, Nicolaus & Company, Incorporated (the "Representative") on behalf of itself and RBC Capital Markets, LLC (collectively, the Underwriters"), offers to enter into this Contract with the City of St. Pete Beach, Florida (the "Issuer"), subject to written acceptance hereof by the Issuer at or before 4:00 p.m., New York time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Issuer at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties, covenants and agreements set forth herein, the Underwriters hereby agree to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$_____ aggregate principal amount of the City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). Inasmuch as this purchase and sale represents a negotiated transaction, the Issuer understands, and hereby confirms, that the Underwriters are not acting as fiduciaries of the Issuer, but rather are acting solely in their capacities as Underwriters for their own accounts.

The Series 2015 Bonds shall be dated as of the date of their delivery, and shall be payable in the years and principal amounts, bear such rates of interest and be subject to redemption, all as set forth in Exhibit A attached hereto. Interest on the Series 2015 Bonds is payable semi-annually on May 1 and November 1 of each year, commencing November 1, 2015. The purchase price for the Series 2015 Bonds shall be \$_____ (representing the par amount of the Series 2015 Bonds of \$_____ [plus/minus a net original issue premium/discount of \$_____ and] less an Underwriters' discount of \$_____).

The disclosure statement required by Section 218.385, Florida Statutes, is attached hereto as Exhibit B.

The payment of the principal of, [premium, if any,] or Redemption Price, if applicable, and interest on the Series 2015 Bonds shall be secured forthwith equally and ratably by a pledge of and

lien upon (a) the Sales Tax Revenues, (b) the Guaranteed Entitlement Revenues, (c) the Franchise Fees Revenues, (d) the Public Service Tax Revenues, and (e) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution except (i) the Unrestricted Revenue Account and the Rebate Fund and (iii) all moneys set aside a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds").

The Series 2015 Bonds are being issued pursuant to the Constitution and laws of the State of Florida (the "State"), Chapter 166, Florida Statutes, Chapter 218, Florida Statutes, the municipal Charter of the Issuer, Ordinance No. 2 enacted by the City Commission of the Issuer (the "Commission") on September 24, 1957, as amended and supplemented and as the same may be amended from time to time, and any successor instrument thereto (the "Public Service Tax Ordinance"), Ordinance No. 2014-05 enacted by the Commission on June 10, 2014, granting a franchise to Peoples Gas System (Florida), Inc., and any successor ordinance or instrument of the Issuer granting a franchise to provide natural gas utility services, and Ordinance No. 2011-15 enacted by the Commission on June 15, 2011, granting a franchise to Florida Power Corporation and any successor ordinance or instrument of the Issuer granting franchise to provide electric utility services (collectively, the "Franchise Fees Instruments"), and other applicable provisions of law (collectively, the "Act"), Ordinance No. 2015-08 enacted by the Commission on May 12, 2015 (the "Bond Ordinance"), and a Capital Improvement Revenue Bond Resolution duly adopted by the Commission on May 12, 2015, as the same may be amended and supplemented (the "Resolution"). All capitalized undefined terms used herein shall have the meanings ascribed thereto in the Resolution.

The Series 2015 Bonds are being issued, together with other legally available funds of the Issuer, to (i) finance the cost of acquiring, constructing and Series 2015 Project (as defined in the Resolution), (ii) establish debt service reserves, if required or deemed necessary, (iii) pay for any credit enhancement for the Series 2015 Bonds, and (iii) pay costs of issuance of the Series 2015 Bonds [including premium for the Municipal Bond Insurance Policy and the 2015 Reserve Account Insurance Policy, defined below].

[The scheduled payment of principal of and interest on the Series 2015 Bonds which mature on May 1 of the years ____ through and including _____ (the "Insured Bonds") when due will be guaranteed under a municipal bond insurance policy (the "Municipal Bond Insurance Policy") to be issued by _____ (the "Insurer") concurrently with the delivery of the Series 2015 Bonds. Upon delivery of the Series 2015 Bonds, the Issuer shall deposit into the Series 2015 Subaccount of the Reserve Account a reserve account insurance policy issued by the Insurer (the "2015 Reserve Account Insurance Policy").]

2. Delivery of Official Statement and Other Documents.

(a) Prior to the date hereof, the Issuer has provided to the Underwriters for their review the Preliminary Official Statement dated _____, 2015 that the Issuer deemed "final" as required by Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12" or the "Rule") as of its date (the "Preliminary Official Statement"), except for certain permitted omissions (the "Permitted Omissions"), as contemplated by the Rule in connection with the pricing of the Series 2015 Bonds. The Underwriters have reviewed the

Preliminary Official Statement prior to the execution of this Contract. The Issuer hereby confirms that the Preliminary Official Statement was "final" as of its date, except for the Permitted Omissions.

(b) The Issuer shall deliver, or cause to be delivered, at its expense, to the Underwriters within seven (7) business days after the date hereof, and at least three (3) business days prior to the date the Series 2015 Bonds are delivered to the Underwriters, or within such other period as may be prescribed by the Municipal Securities Rulemaking Board ("MSRB") in order to accompany any confirmation that requests payment from any customer (i) sufficient copies of the final Official Statement (the "Official Statement") to enable the Underwriters to fulfill their obligations pursuant to the securities laws of Florida and the United States, in form and substance satisfactory to the Underwriters, and (ii) an executed original counterpart or certified copy of the Official Statement and the Resolution. In determining whether the number of copies to be delivered by the Issuer are reasonably necessary, at a minimum, the number shall be sufficient to enable the Underwriters to comply with the requirements of Rule 15c2-12, all applicable rules of the MSRB, and to fulfill their duties and responsibilities under Florida and federal securities laws generally.

The Representative agrees to file the Official Statement with the MSRB's Electronic Municipal Market Access System ("EMMA") at <http://emma.msrb.org> portal.

The Issuer authorizes, or ratifies as the case may be, the use and distribution of the Preliminary Official Statement, the Official Statement and the Resolution in connection with the public offering and sale of the Series 2015 Bonds. The Underwriters agree that they will not confirm the sale of any Series 2015 Bonds unless the confirmation of sale requesting payment is accompanied or preceded by the delivery of a copy of the Official Statement.

(c) From the date hereof until the earlier of (i) ninety days from the "end of the underwriting period" (as defined in the Rule), or (ii) the time when the Official Statement is available to any person on EMMA (but in no case less than 25 days following the end of the underwriting period), if any event occurs which may make it necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer shall notify the Representative and if, in the reasonable opinion of the Issuer or the reasonable opinion of the Representative, such event requires the preparation and publication of an amendment or supplement to the Official Statement, the Issuer, at its expense (unless such event was caused by the Underwriters), promptly will prepare an appropriate amendment or supplement thereto (and file or cause, to be filed, the same with EMMA, and mail such amendment or supplement to each record owner of Series 2015 Bonds) so that the statements in the Official Statement as so amended or supplemented will not, in light of the circumstances under which they were made, be misleading, in a form and in a manner reasonably approved by the Underwriters. The Issuer will promptly notify the Representative of the occurrence of any event of which it has knowledge, which, in its reasonable opinion, is an event described in the preceding sentence. The amendments or supplements that may be authorized for use with respect to the Series 2015 Bonds are hereinafter included within the term "Official Statement." Unless the Underwriters shall

provide written notice to the Issuer on _____, 2015 (date of the "Closing") that the Underwriters retain directly, or as a member of an underwriting syndicate, an unsold balance of the Series 2015 Bonds, the end of the underwriting period shall be the date of Closing, but in no event later than 90 days after the Closing.

3. Authority of the Underwriters. The Representative has been duly authorized to execute this Contract and has been duly authorized to act hereunder and neither the Underwriters nor any "persons" of "affiliate" thereof have been on the "convicted vendor list" during the past 36 months as all such terms are defined in Section 287.133, Florida Statutes.

4. Public Offering. The Underwriters agree to make a bona fide initial offering to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) of all of the Series 2015 Bonds at not in excess of the initial public offering price or prices (or not below the yields) set forth on the inside cover page of the Official Statement. If such public offering does not result in the sale of all the Series 2015 Bonds, the Series 2015 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2015 Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

The Representative agrees to deliver a certificate of the Underwriters at the Closing in substantially the form attached hereto as Exhibit D.

The Issuer hereby ratifies and confirms its authorization of the distribution and use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with such public offering and sale.

5. Good Faith Deposit. The Representative has delivered herewith to the Issuer a check for \$_____ (_____ Dollars) payable to the order of the Issuer. In the event that the Issuer does not accept this offer, such check shall be immediately returned to the Representative. If the offer made hereby is accepted, the Issuer agrees to hold this check uncashed until the Closing as security for the performance by the Underwriters of their obligation to accept and pay for the Series 2015 Bonds at the Closing, and, in the event of their compliance with such obligation, such check shall be returned to the Underwriters at the Closing. In the event the Issuer fails to deliver the Series 2015 Bonds at the Closing, or if the Issuer shall be unable to satisfy the conditions of Closing contained herein, or if the obligations of the Underwriters are terminated for any reason permitted by this Contract, such check shall be immediately returned to the Representative and such return shall constitute a full release and discharge of all claims by the Underwriters arising out of the transactions contemplated hereby. In the event that the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Series 2015 Bonds at the Closing, such check shall be retained by the Issuer as and for full liquidated damages for such failure and for any defaults hereunder on the part of the Underwriters and such retention shall constitute a full release and discharge of all claims by the Issuer against the Underwriters arising out of the transactions contemplated hereby.

6. Issuer Representations, Warranties, Covenants and Agreements. The Issuer represents and warrants to and covenants and agrees:

(a) The Issuer is a municipal corporation, duly organized and validly existing pursuant to the Constitution and laws of the State and is authorized and empowered by law to issue, sell and deliver the Series 2015 Bonds to the Underwriters as described herein; to provide funds, together with other legally available funds to finance and/or reimburse the costs of the Series 2015 Project; to accept this Contract; [to execute and deliver the Credit Enhancement Agreement between the Issuer and the Insurer to be dated as of the date of Closing (or such other date as determined by the Issuer) (the "Insurance Agreement"), to execute and deliver the Reserve Fund Insurance Policy between the Issuer and the Insurer to be dated as of the date of Closing (or such other date as determined by the Issuer) (the "Surety Agreement")], to execute the Disclosure Dissemination Agent Agreement dated as of the date of the Closing (or such other date as determined by the Issuer), between the Issuer and Digital Assurance Certification, L.L.C. (the "Disclosure Dissemination Agent Agreement"); and to execute the Official Statement; and to carry out and consummate all other transactions contemplated by the Official Statement and by each of the aforesaid documents, agreements, resolutions and ordinances.

(b) By official action of the Issuer taken prior to or concurrently with the acceptance hereof, the Issuer has duly adopted the Resolution and enacted the Bond Ordinance, the Public Service Tax Ordinance and the Franchise Fees Instruments (collectively, the "Ordinances"); the Resolution and the Ordinances are in full force and effect, and have not been amended, modified or rescinded; the Issuer has duly authorized and approved the execution and delivery of, and the performance by the Issuer of its obligations contained in the Series 2015 Bonds, the Disclosure Dissemination Agent Agreement, [the Insurance Agreement, the Surety Agreement] and this Contract, and the consummation by it of all other transactions contemplated by the Resolution, the Ordinances, the Official Statement, Disclosure Dissemination Agent Agreement, [the Insurance Agreement, the Surety Agreement] and this Contract to have been performed or consummated at or prior to the date of Closing, and the Issuer is in compliance with the provisions of the Resolution and the Ordinances.

(c) When delivered to the Underwriters in accordance with the terms of this Contract, [the Insurance Agreement, the Surety Agreement,] the Disclosure Dissemination Agent Agreement and the Series 2015 Bonds will have been duly and validly authorized, executed, issued and delivered, the Resolution will have been duly adopted, the Ordinances will have been duly enacted and each such instrument will constitute a legal, valid and binding limited obligation of the Issuer enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency or other laws affecting creditors' rights and remedies generally and to general principles of equity, and will be entitled to the benefits of the Resolution; and the Resolution will provide, for the benefit of the holders, from time to time, of the Series 2015 Bonds, the legally valid and binding pledge of and lien on the Pledged Funds that it purports to create, as set forth in the Resolution.

(d) Except as described in the Official Statement, the Issuer is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, or any agency or department of either, or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its properties or other assets is otherwise subject, and, to the best knowledge of the Issuer,

no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, in any such case to the extent that the same would have a material and adverse effect upon the business or properties or financial condition of the Issuer including the Issuer's receipt of the Pledged Funds in the amounts contemplated by the Official Statement; and the execution and delivery of the Series 2015 Bonds, [the Insurance Agreement, the Surety Agreement,] the Disclosure Dissemination Agent Agreement, and this Contract and the adoption of the Resolution, the enactment of the Ordinances and compliance with the provisions on the Issuer's part contained in each, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its properties or other assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or the assets of the Issuer under the terms of any such law, regulation or instrument, except as provided or permitted by the Series 2015 Bonds and the Resolution.

(e) The Issuer is not and has not been in default on any obligated issued or guarantee by the City at any time on or after December 31, 1975.

(f) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which would constitute a condition precedent to or the absence of which would materially adversely affect the financial condition of the Issuer, the Issuer's receipt of the Pledged Funds, or the due performance by the Issuer of its obligations under this Contract, [the Insurance Agreement, the Surety Agreement,] the Resolution, the Ordinances, the Disclosure Dissemination Agent Agreement and the Series 2015 Bonds have been, or prior to the Closing will have been, duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2015 Bonds or approvals, consents and orders: (i) described in the Official Statement as not having been obtained, or (ii) customarily granted in due course after application therefor and expected to be obtained without material difficulty or delay.

(g) The Series 2015 Bonds, when issued, authenticated and delivered in accordance with the Resolution and sold to the Underwriters as provided herein and in accordance with the provisions of the Resolution, will be legal, valid and binding obligations of the Issuer, enforceable in accordance with their terms and the terms of the Resolution (subject to and limited by bankruptcy, insolvency, reorganization, moratorium, and similar laws in each case relating to or affecting the enforcement of creditor's rights generally, and other general principles of equity), and the Resolution will provide, for the benefit of the holders from time to time of the Series 2015 Bonds, a legally valid and binding pledge of and lien on the Pledged Funds, subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(h) The Issuer has reviewed the information in the Preliminary Official Statement, except for the information provided by [the Insurer and] The Depository Trust

Company ("DTC") as to which no view is expressed. The Preliminary Official Statement was, as of the date thereof, and the Official Statement is and at all times subsequent hereto up to and including the date of the Closing will be, true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, any amendments or supplements to the Official Statement prepared and furnished by the Issuer pursuant hereto will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) The Series 2015 Bonds, the Resolution, the Ordinances, [the Insurance Agreement, the Surety Agreement] and the Disclosure Dissemination Agent Agreement conform in all material respects to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement.

(j) Except as disclosed in the Preliminary Official Statement and the Official Statement, since [September 30, 2014] the Issuer will not have incurred any material liabilities, direct or contingent, or entered into any transaction which is material to potential holders of the Series 2015 Bonds, in each case other than in the ordinary course of its business, and there shall not have been any material adverse change in the condition, financial or otherwise, of the Issuer or its properties or other assets.

(k) Except as disclosed in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency or public board or body, pending or, to the best knowledge of the Issuer, threatened, against or affecting the Issuer or the titles of its officers to their respective offices, or which may affect or which seeks to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2015 Bonds or the collection or pledge of the Pledged Funds pledged to pay the principal of and interest on the Series 2015 Bonds, or which in any way contests or affects the validity or enforceability of the Series 2015 Bonds, the Resolution, the Ordinances, [the Insurance Agreement, the Surety Agreement,] this Contract and the Disclosure Dissemination Agent Agreement, or any of them, or which may result in any material adverse change in the business, properties, other assets or financial condition of the Issuer or which contests the tax-exempt status of the interest on the Series 2015 Bonds as described in the Preliminary Official Statement and the Official Statement, or which contests the power of the Issuer or any authority or proceedings for the issuance, sale or delivery of the Series 2015 Bonds or this Contract, nor, to the best knowledge of the Issuer, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2015 Bonds, the Resolution, the Ordinances, [the Insurance Agreement, the Surety Agreement,] the Disclosure Dissemination Agent Agreement or this Contract.

(l) The Issuer has done all things necessary on its part to entitle the Issuer to continue to receive each and all of the Pledged Funds at levels consistent with those historically received as set forth in the Preliminary Official Statement.

(m) The Issuer will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters as the Underwriters may reasonably request in order (i) to qualify the Series 2015 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate, and/or (ii) to determine the eligibility of the Series 2015 Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Series 2015 Bonds; provided that the Issuer shall not be obligated to take any action that would subject it to the general service of process in any state where it is not now so subject or require it to qualify to do business and any expense related to the foregoing shall be borne by the Underwriters.

(n) The Issuer will advise the Underwriters promptly of any proposal to amend or supplement the Official Statement and will not effect any such amendment or supplement without the consent of the Underwriters. The Issuer will advise the Underwriters promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Series 2015 Bonds.

(o) The Issuer has not in the past five years failed to comply in any material respect with any agreement to which it is a party to provide continuing disclosure information pursuant to the Rule.

(p) The Issuer has the authority to finance and/or reimburse the costs of the Series 2015 Project.

7. The Closing. At 10:00 a.m., New York time, on the date of Closing, or at such other time or date to which the Issuer and the Representative may mutually agree, the Issuer will, subject to the terms and conditions hereof, deliver the Series 2015 Bonds in book-entry form to the account of the Underwriters, at the facilities of DTC in New York, New York, or an agent thereof, or such other location as determined by the Representative and agreed to by the Issuer, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the aggregate purchase price of the Series 2015 Bonds as set forth in Paragraph 1 hereof in Federal Funds to the Issuer. The Issuer shall cause CUSIP identification numbers to be printed on the Series 2015 Bonds, but neither the failure to print such number on any Series 2015 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Series 2015 Bonds in accordance with the terms of this Contract. The Closing shall occur at the offices of the Issuer in St. Pete Beach, Florida, or such other place to which the Issuer and the Underwriters shall have mutually agreed. The Series 2015 Bonds shall be made available to the Underwriters no less than 24 hours before the Closing for purposes of inspecting and packaging. The Series 2015 Bonds shall be prepared and delivered as fully registered Series 2015 Bonds registered in such names and denominations as the Underwriters shall so designate to the Issuer and the printer of the Series 2015 Bonds not less than one day prior to the Closing.

8. Closing Conditions. The Underwriters have entered into this Contract in reliance upon the representations, warranties, covenants and agreements of the Issuer contained herein and

in reliance upon the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Contract to purchase, to accept delivery of and to pay for the Series 2015 Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder, and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The representations, warranties, covenants and agreements of the Issuer contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) At the time of Closing, the Resolution, the Ordinances, the Disclosure Dissemination Agent Agreement, [the Insurance Agreement, the Surety Agreement] and this Contract shall be in full force and effect and, except as approved in writing by the Representative, shall not have been amended, modified or supplemented since the date hereof, and the Official Statement as delivered to the Underwriters shall not have been supplemented or amended, except in any such case as may have been approved by the Underwriters;

(c) At the time of the Closing, all official action of the Issuer taken relating to this Contract, the Series 2015 Bonds, the Resolution, the Ordinances, [the Insurance Agreement, the Surety Agreement] and the Disclosure Dissemination Agent Agreement shall be in full force and effect and shall not have been amended, modified or supplemented, except for amendments, modifications or supplements which have been approved by the Underwriters prior to the Closing;

(d) At the time of the Closing, except as contemplated by the Official Statement, there shall have been no material adverse change in the financial condition of the Issuer;

(e) At or prior to the Closing, the Underwriters shall have received copies of each of the following documents:

(1) An opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida ("Bond Counsel"), dated the date of the Closing and addressed to the Issuer, in substantially the form attached as Appendix D to the Official Statement and a reliance letter pertaining to such opinion addressed to the Underwriters.

(2) An opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriters [and the Insurer], in such form as is acceptable to the Issuer and the Representative, (i) to the effect that the statements contained in the the Official Statement under the captions "DESCRIPTION OF THE SERIES 2015 BONDS" (except for the statements and information under the subheading entitled "Book-Entry Only System" as to which no opinion is expressed), "SECURITY FOR THE SERIES 2015 BONDS" and in "APPENDIX B – Form of the Resolution," insofar as such statements purport to be summaries of certain provisions of the Resolution and the Series 2015 Bonds, constitute a fair summary

of the information purported to be summarized therein, and the statements in the Official Statement on the cover and under the caption "TAX EXEMPTION" are accurate statements or summaries of the matters set forth therein, (ii) to the effect that the Series 2015 Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and (iii) to the effect that the Resolution is not required to be qualified under the Trust Indenture Act of 1939, as amended.

(3) An opinion, dated the date of the Closing and addressed to the Issuer, the Underwriters, Bond Counsel [and the Insurer], of [Andrew W. J. Dickman, Esq., City Attorney,] in substantially the form attached hereto as Exhibit C.

(4) An opinion, dated the date of the Closing and addressed to the Issuer, of Greenberg Traurig P.A., Orlando, Florida, Disclosure Counsel, in form and substance satisfactory to the Issuer and the Underwriters, and a reliance letter pertaining thereto addressed to the Underwriters, including opinions that the Preliminary Official Statement and the Official Statement, as of their respective dates and as of the closing date, do not contain a material misstatement or omit to state a material fact necessary in order to make the statements, in light of the circumstances under which they were made, not misleading and that the Disclosure Dissemination Agent Agreement satisfies the requirements of Section (b)(5)(i) of the Rule for an undertaking to provide certain annual financial information and event notices to various information repositories as required by the Rule.

(5) A certificate dated the date of Closing and signed by the City Manager, and the City Clerk of the Issuer, or such other official satisfactory to the Underwriters, and in form and substance satisfactory to the Underwriters, to the effect that (A) the representations and warranties of the Issuer contained herein are true and correct in all material respects as of the date of Closing, the Issuer has satisfied all conditions on its part to be performed or satisfied thereunder, and the Official Statement did not as of its date, and does not as of the date of Closing, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances in which they were made not misleading (provided, that no opinion is hereby expressed regarding the information contained therein relating to the [Insurer, the Municipal Bond Insurance Policy, the 2015 Reserve Account Insurance Policy or] DTC and its book-entry system); (B) no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect as of the date hereof; (C) other than as described in the Preliminary Official Statement and the Official Statement, the Issuer has not in the past five (5) years failed to comply in any material respect with any prior agreement to provide continuing disclosure pursuant to the Rule; (D) except as disclosed in the Official Statement and except for the issuance of the Series 2015 Bonds on the date of Closing, (i) since [September 30, 2014], no material and adverse change has occurred in the financial position or results of operations of the Issuer except as set forth in or contemplated

by the Official Statement, (ii) except as disclosed in the Preliminary Official Statement, the Issuer has not, since [September 30, 2014], incurred any material liabilities payable from Pledged Funds other than in the ordinary course of business, and (iii) since _____, 201_, no material adverse change has occurred in the collection of the Pledged Funds, except as disclosed in the Preliminary Official Statement; (E) the financial statements and other historical financial and statistical data relating to the Issuer included in the Official Statement are true and correct as of the date of such information; (F) no default under the Resolution or the Ordinances has occurred and is continuing, and the Issuer is not in breach of the covenants and obligations assumed under the Resolution or the Ordinances, and all payments required to be made in the funds and accounts provided under the Resolution, if any, have been made to the full extent required; (G) the Issuer is not and has not been in default on any obligated issued or guarantee by the Issuer at any time on or after December 31, 1975; (H) except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency or public board or body pending or threatened against the Issuer, (i) to restrain or enjoin the issuance, sale or delivery of the Series 2015 Bonds, or in any way contesting or affecting any authority for the issuance of the Series 2015 Bonds, the Resolution, the Ordinances or the execution and delivery of the Disclosure Dissemination Agent Agreement or the sale of the Series 2015 Bonds; (ii) questioning, contesting or affecting the corporate existence or powers of the Issuer or the Commission or the entitlement to office of the officers thereof; (iii) to restrain or enjoin the collection or pledge of the Pledged Funds, or any portion thereof, to pay the principal of, premium, if any, and interest on the Series 2015 Bonds; (iv) which may result in any material adverse change in the business, properties, assets or the financial condition of the Issuer; (v) asserting that the Preliminary Official Statement or the Official Statement contains any untrue statement of a material fact or omits any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; or (vi) which involves the possibility that a judgment or liability, not fully covered by insurance or adequate established reserves, may be entered or imposed against the Issuer; (I) the Issuer has not been notified of any listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon, and all provisions regarding any amounts to be rebated to the United States government have been complied with and provisions have been made for the payment of the rebate amount which will become due relating to outstanding debt of the Issuer, and there is not an unfunded materially significant arbitrage rebate liability of the Issuer owing the Internal Revenue Service; (J) the Series 2015 Bonds have been signed with the manual signatures of the undersigned Mayor and have been attested and countersigned with the manual signature of the undersigned City Clerk; and (K) the resolutions of the Issuer authorizing the execution, delivery and/or performance of the Official Statement, the Series 2015 Bonds and all related documents have been duly adopted by the Issuer, are in full force and effect and have not been modified, amended or repealed.

(6) Certified copy of the Resolution and the Ordinances.

(7) Executed copies of the Disclosure Dissemination Agent Agreement, [the Insurance Agreement, the Surety Agreement] and this Contract.

(8) Evidence that Moody's Investors Service ("Moody's) and Standard & Poor's Financial Services LLC ("S&P") have issued [underlying ratings not lower than "___" (stable outlook) and "___" (stable outlook), respectively, for the Series 2015 Bonds and insured ratings of not lower than "___" (stable outlook) and "___" (stable outlook), respectively, for the Series 2015 Bonds.]

(9) A certificate of an authorized representative of U.S Bank National Association (the "Bank"), as Registrar and Paying Agent to the effect that (A) the Bank is a national bank duly organized, validly existing and in good standing under the laws of the United States of America and is duly authorized to exercise trust powers in the State of Florida, (B) the Bank has all requisite authority, power, licenses, permits and franchises, and has full corporate power and legal authority to execute and perform its functions under the Resolution and any registrar and paying agent agreement, (C) the performance by the Bank of its functions under the Resolution will not result in any violation of the Articles of Association or Bylaws of the Bank, any court order to which the Bank is subject or any agreement, indenture or other obligation or instrument to which the Bank is a party or by which the Bank is bound, and no approval or other action by any governmental authority or agency having supervisory authority over the Bank is required to be obtained by the Bank in order to perform its functions under the Resolution, (D) to the best of such authorized representative's knowledge, there is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending or, to his or her knowledge, threatened against or affecting the Bank wherein an unfavorable decision, ruling or finding on an issue raised by any party thereto is likely to materially and adversely affect the ability of the Bank to perform its obligations under the Resolution and any registrar and paying agent agreement and (E) the Series 2015 Bonds have been authenticated in accordance with the terms of the Resolution.

(10) [A duly executed copy of the Municipal Bond Insurance Policy and 2015 Reserve Account Insurance Policy.]

(11) [An opinion of general counsel to the Insurer relating to the validity and enforceability of the Municipal Bond Insurance Policy and the 2015 Reserve Account Insurance Policy, and a certificate of an officer of the Insurer dated the date of Closing and addressed to the Underwriters, concerning the Insurer, the Municipal Bond Insurance Policy and the 2015 Reserve Account Insurance Policy, and the information relating to the Insurer, the Municipal Bond Insurance Policy and the 2015 Reserve Account Insurance Policy, contained in the Official Statement, in form and substance satisfactory to the Underwriters and Counsel for the Underwriters.]

(12) Evidence that the Issuer has deemed the Preliminary Official Statement "final" as of its date for purpose of the Rule, except for "permitted omissions."

(13) Such additional legal opinions, certificates, instruments and other documents as the Underwriters may reasonably request.

All of the evidence, opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Contract shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Underwriters with such exceptions and modifications as shall be approved by the Underwriters and as shall not in the reasonable opinion of the Underwriters materially impair the investment quality of the Series 2015 Bonds.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2015 Bonds contained in this Contract, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Series 2015 Bonds shall be terminated for any reason permitted by this Contract, this Contract shall terminate with respect to such Series 2015 Bonds subject to termination and neither the Underwriters nor the Issuer shall be under any further obligation hereunder with respect thereto, except that the Issuer shall return the good faith check referred to in Paragraph 5 and the respective obligations of the Issuer and the Underwriters set forth in Paragraph 10 hereof shall continue in full force and effect.

9. Termination. The Representative may terminate this Contract, without liability therefor, by notification to the Issuer, if at any time subsequent to the date of this Contract at or prior to Closing:

(a) Legislation shall be enacted by or new legislation shall be introduced in the Congress of the United States or adopted by either House thereof or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation or official statement by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Series 2015 Bonds in the hands of the holders thereof, which in the reasonable opinion of the Representative would materially adversely affect the market price of the Series 2015 Bonds;

(b) Legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the reasonable opinion of Counsel to the Representative, has the effect of requiring the contemplated issuance or distribution of the Series 2015 Bonds to be registered under the Securities Act of 1933, as amended, or of requiring the Resolution to be qualified under the Trust Indenture Act of 1939, as amended;

(c) The United States shall become engaged in hostilities that have resulted in a declaration of war or a national emergency or any conflict involving the armed forces of the United States shall have occurred which, in the reasonable opinion of the Representative, materially adversely affects the market price of the Series 2015 Bonds;

(d) There shall be in force a general suspension of trading on the New York Stock Exchange as the result of an event affecting the national economy which, in the reasonable judgment of the Representative, materially adversely affects the market for the Series 2015 Bonds or the sale, at the contemplated offering prices, by the Representative of the Series 2015 Bonds to be purchased by them;

(e) A general banking moratorium shall have been established by federal, New York or Florida authorities which in the reasonable judgment of the Representative materially adversely affects the market for the Series 2015 Bonds, or the sale at the contemplated offering prices, by the Representative of the Series 2015 Bonds to be purchased by them;

(f) An order, decree or injunction of any court of competent jurisdiction, or any other ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commenced, or any legislation enacted, with the purpose or effect of prohibiting the issuance, offering or sale of the Series 2015 Bonds as contemplated hereby or by the Official Statement or prohibiting the adoption or performance of the Resolution;

(g) The President of the United States, the Office of Management and Budget, the Department of Treasury, the Internal Revenue Service or any other governmental body, department, agency or commission of the United States, the State of Florida or the State of New York shall take or propose to take any action or implement or propose regulations, rules or legislation which, in the reasonable judgment of the Representative, materially adversely affects the market price of the Series 2015 Bonds or causes any information in the Official Statement, as then amended and supplemented, in light of the circumstances under which it appears, to be misleading in any material respect as then amended and supplemented;

(h) Any executive order shall be announced, or any legislation, ordinance, rule or regulation shall be proposed by or introduced in, or be enacted by any governmental body, department, agency or commission of the United States, the State of Florida or the State of New York, having jurisdiction over the subject matter, or a decision by any court of competent jurisdiction within the United States, within the State of Florida or the State of New York shall be rendered which, in the reasonable opinion of the Representative, materially adversely affects the market price of the Series 2015 Bonds or causes any information in the Official Statement, as then amended and supplemented, in light of the circumstances under which it appears, to be misleading in any material respect as then amended and supplemented;

(i) Any event shall have occurred or shall exist which, in the reasonable opinion of the Representative, would cause the information contained in the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading as of such time and which would materially adversely affect the marketability of the Series 2015 Bonds;

(j) There shall have been any materially adverse change in the financial condition of the Issuer that is not contemplated in the Official Statement, as then amended and supplemented, which in the reasonable opinion of the Representative, materially and adversely affects the market price or marketability or market price of the Series 2015 Bonds;

(k) The marketability of the Series 2015 Bonds or the market price thereof, in the reasonable opinion of the Representative, has been materially and adversely affected by disruptive events, occurrence or conditions in the securities or debt markets; or

(l) A reduction or withdrawal in the assigned ratings, or as of the date of Closing, the failure by any of the rating agencies to assign the ratings to the Series 2015 Bonds.

10. Expenses. The Underwriters shall be under no obligation to pay, and the Issuer shall pay, any expenses incident to the performance of the obligations of the Issuer hereunder including, but not limited to: (a) the cost of preparation, printing or other reproduction of the Resolution; (b) the cost of preparation and printing of the Series 2015 Bonds; (c) the fees and disbursements of Bond Counsel, the Financial Advisor, the City Attorney and Disclosure Counsel; (d) the fees and disbursements of the financial advisor to the Issuer; (e) the fees and disbursements of any experts, consultants or advisors retained by the Issuer, including fees of the auditor and the Paying Agent and Registrar; (f) fees for bond ratings; (g) the costs of preparing, printing and delivering a reasonable number of copies of the Preliminary Official Statement and the Official Statement and any supplements or amendments to either of them; and (h) expenses incurred by the Underwriters on behalf of the Issuer's employees in connection with this Contract, including but not limited to, meals, transportation, lodging, and entertainment of those employees and representatives which payment may be in the form of inclusion of such expense in the expense component of the Underwriters' discount.

The Underwriters shall pay: (a) all advertising expenses in connection with the public offering of the Series 2015 Bonds; (b) the cost of preparing, printing and delivery of any agreement among the Underwriters; and (c) all other expenses incurred by them or any of them in connection with the public offering of the Series 2015 Bonds, including the fees and disbursements of counsel retained by them, including the costs of all "blue sky" memoranda and related filing fees. In the event that either party shall have paid obligations of the other as set forth in this Section 10, adjustment shall be made at the time of the Closing.

11. Notices. Any notice or other communication to be given to the Issuer under this Contract may be given by delivering the same in writing at its address set forth above to the attention of the City Attorney, 155 Corey Avenue, St. Pete Beach, Florida 33706, Attn: City Manager, 155 Corey Avenue, St. Pete Beach, Florida 33706, Attn: Mr. Wayne Saunders, and any notice or other communication to be given to the Underwriters may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, 111 North Magnolia Avenue, Suite 1175, Orlando, Florida 32801, Attn: Matthew Sansbury, Managing Director.

12. Parties in Interest. This Contract is made solely for the benefit of the Issuer and the Underwriters and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties, covenants and agreements in this Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriters; (ii) the delivery of the Series 2015 Bonds pursuant to this Contract; or (iii) any termination of this Contract but only to the extent provided by the last part of Section 8 hereof.

13. Waiver. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the Issuer hereunder and the performance of any and all conditions

contained herein for the benefit of the Underwriters may be waived by the Representative, in its sole discretion, and the approval of the Underwriters when required hereunder or the determination of their satisfaction as to any document referred to herein shall be in writing, signed by appropriate officer or officers of the Representative and delivered to the Issuer.

14. Effectiveness. This Contract shall become effective upon the execution of the acceptance hereof by the City Manager and shall be valid and enforceable at the time of such acceptance.

15. Counterparts. This Contract may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

16. Headings. The headings of the sections of this Contract are inserted for convenience only and shall not be deemed to be a part hereof.

17. No Advisory or Fiduciary Role. “The Issuer acknowledges and agrees that: (i) the primary role of the Underwriters, as underwriters, is to purchase securities, for resale to investors, in an arm’s length commercial transaction between the Issuer and the Underwriters and the Underwriters have financial and other interests that differ from those of the Issuer; (ii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the Issuer and have not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriters have to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Purchase Contract; and (iv) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

[Remainder of page intentionally left blank]

18. Florida Law Governs. The validity, interpretation and performance of this Contract shall be governed by the laws of the State of Florida.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED, on behalf of the Underwriters

By: _____
Name: Matthew Sansbury
Its: Managing Director

Accepted by:

CITY OF ST. PETE BEACH, FLORIDA

Wayne Saunders, City Manager

EXHIBIT A

**CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2015**

MATURITIES, AMOUNTS, INTEREST RATES, PRICES AND YIELDS

\$_____ Serial Bonds

<u>Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>
-----------------	---------------	----------------------	--------------	--------------

\$ _____	% Term Bonds due May 1, _____	Price _____	Yield _____
\$ _____	% Term Bonds due May 1, _____	Price _____	Yield _____
\$ _____	% Term Bonds due May 1, _____	Price _____	Yield _____

REDEMPTION PROVISIONS

[To come.]

EXHIBIT B
CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2015
DISCLOSURE STATEMENT

Commission of City of St. Pete Beach
St. Pete Beach, Florida

Ladies and Gentlemen:

In connection with the proposed issuance by City of St. Pete Beach, Florida (the "Issuer") of the issue of bonds referred to above (the "Series 2015 "Bonds"), Stifel Nicolaus & Company, Incorporated and RBC Capital Markets, LLC (collectively, the "Underwriters"), have agreed to underwrite a public offering of the Series 2015 Bonds. Arrangements for underwriting the Series 2015 Bonds will include a Purchase Contract between the Issuer and the Underwriters.

The purpose of this letter is to furnish, pursuant to the provisions of Sections 218.385(2), (3) and (6), Florida Statutes, certain information in respect to the arrangement contemplated for the underwriting of the Series 2015 Bonds as follows:

(a) The nature and estimated amount of expenses to be incurred by the Underwriters in connection with the issuance of the Series 2015 Bonds are set forth on Schedule I attached hereto.

(b) There are no "finders," as that term is defined in Section 218.386, Florida Statutes, connected with the issuance of the Series 2015 Bonds.

(c) The amount of underwriting spread, including the management fee, expected to be realized is as follows:

	<u>Per \$1,000</u>	<u>Dollar Amount</u>
Average Takedown	\$	\$
Underwriters' Expenses		\$
 Total Underwriting Spread	 \$	 \$

(d) No other fee, bonus or other compensation is estimated to be paid by the Underwriters in connection with the issuance of the Series 2015 Bonds to any person not regularly employed or retained by the Underwriters, except as described in Schedule I attached hereto.

(e) The name and address of the Underwriters are set forth below:

Stifel Nicolaus & Company, Incorporated
111 North Magnolia Avenue, Suite 1175
Orlando, Florida 32801

RBC Capital Markets, LLC
100 Second Avenue South, Suite 800
St. Petersburg, Florida 33701

(f) The Issuer is proposing to issue \$_____ of its Capital Improvement Revenue Bonds, Series 2015, to, together with other legally available funds of the Issuer, (i) finance the cost of acquiring, constructing and equipping the Series 2015 Project (as defined in Resolution No. 2015-___ of the Commission relating to the Series 2015 Bonds the “Resolution”), (ii) establish debt service reserves, if required or deemed necessary, (iii) pay for any credit enhancement for the Series 2015 Bonds, and (iii) pay costs of issuance of the Series 2015 Bonds. All capitalized undefined terms used herein shall have the meaning ascribed to them in the Resolution.

The Series 2015 Bonds are expected to be repaid over a period of approximately _____ years (from the date of Closing). At a true interest cost rate of approximately _____%, total interest paid over the life of the Series 2015 Bonds will be \$_____.

The payment of the principal of, premium, if any, and interest on the Series 2015 Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds (as defined in the Resolution). Authorizing the Series 2015 Bonds will result in an average of \$_____ of Pledged Funds not being available to finance the other services of the Issuer each year for approximately _____ years.

[Remainder of page intentionally left blank]

We understand that the Issuer does not require any further disclosure from the Underwriters, pursuant to Sections 218.385(2), (3) and (6), Florida Statutes.

Very truly yours,

STIFEL NICOLAUS & COMPANY,
INCORPORATED, on behalf of the Underwriters

By: _____
Name: Matthew Sansbury
Its: Managing Director

SCHEDULE I

ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITERS

	<u>Per \$1,000</u>	<u>Dollar Amount</u>
TOTAL	\$	\$

EXHIBIT C

[Date]

City Commission of the City of St. Pete Beach
St. Pete Beach, Florida

Stifel Nicolaus & Company, Incorporated
Orlando, Florida

RBC Capital Markets
St. Petersburg, FL

Re: \$ _____ City of St. Pete Beach, Florida
 Capital Improvement Revenue Bonds, Series 2015

Ladies and Gentlemen:

This opinion is being delivered as the opinion of City Attorney to the City of St. Pete Beach, Florida (the "Issuer"). All terms used herein in capitalized form and not otherwise defined herein shall have the same meaning assigned thereto in the Resolution (as hereinafter defined) or in the hereinafter defined Purchase Contract. In connection with the sale, issuance, execution and delivery of the above-referenced bonds (the "Series 2015 Bonds"), I have examined the Constitution and laws of the State of Florida, Chapter 166, Florida Statutes, Chapter 218, Parts II and VI, Florida Statutes, the municipal Charter of the Issuer, the Public Service Tax Ordinance, the Franchise Fees Instruments, Ordinance No. 2015-08 enacted by the Commission on May 12, 2015 (the "Bond Ordinance"), and other applicable provisions of law (collectively, the "Act"), and Resolution No. 2015-__ duly adopted by the Board on May 12, 2015 (the "Resolution"). I have also reviewed the Preliminary Official Statement dated _____, 2015, related to the Series 2015 Bonds (the "Preliminary Official Statement") and the final Official Statement dated _____, 2015, related to the Series 2015 Bonds (the "Official Statement"), the Purchase Contract dated _____, 2015, by and between the Issuer and the Underwriters (the "Purchase Contract"), the Disclosure Dissemination Agent Agreement dated as of the date hereof (the "Disclosure Dissemination Agent Agreement"), [the Credit Enhancement Agreement between the Issuer and the Insurer dated as of the date hereof (the "Insurance Agreement"), the Reserve Fund Insurance Policy dated as of the date hereof between the Issuer and the Insurer (the "Surety Agreement")]. I have also made such investigation and have examined such ordinances, resolutions, certificates, documents, public records and proceedings as I have deemed relevant and necessary in rendering the opinions expressed below. I am of the opinion that:

(1) The Issuer is a municipal corporation duly organized and validly existing under the laws of the State of Florida and has full legal right, power and authority to adopt and perform its obligations under the Resolution and to authorize, execute and deliver and to perform its obligations under the Series 2015 Bonds, the Purchase Contract, the Disclosure Dissemination Agent Agreement, [the Insurance Agreement and the Surety Agreement].

(2) The Issuer has duly adopted the Resolution, duly enacted the Ordinances, and has duly authorized, executed and delivered the Purchase Contract, the Series 2015 Bonds, the Disclosure Dissemination Agent Agreement, [the Insurance Agreement and the Surety Agreement] and each constitutes the legal, binding and valid obligation of the Issuer, enforceable in accordance with its terms; provided, however, the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity and the exercise of judicial discretion.

(3) All approvals, consents, authorizations and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the performance by the Issuer of its obligations under the Resolution have been obtained and are in full force and effect.

(4) With respect to the information in the Official Statement, and without having undertaken to determine independently the accuracy or completeness of the contents of the Official Statement, I have no reason to believe that the Official Statement (except for the financial and statistical data contained therein and except for information therein regarding [the Insurer, the Policy and] DTC and its book-entry system, as to which no view is expressed) contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(5) The Preliminary Official Statement has been duly authorized and delivered by the Issuer, and the Official Statement has been duly authorized, executed and delivered by the Issuer, and the Issuer has consented to the use thereof for the offering of the Series 2015 Bonds.

(6) The Issuer is empowered to undertake, finance and/or reimburse the costs of the Series 2015 Project.

(7) The adoption of the Resolution, the enactment of the Ordinances and the authorization, execution and delivery of the Disclosure Dissemination Agent Agreement, [the Surety Agreement, the Insurance Agreement,] the Purchase Contract and the Series 2015 Bonds, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, any law, administrative regulation, consent decree, ordinance or resolution or, to the best of my knowledge, any agreement or other instrument to which the Issuer was or is subject as the case may be, nor will such enactment, adoption, execution, delivery, authorization or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer, or under the terms of any law, administrative regulation, ordinance, resolution or instrument, except as expressly provided by the Resolution; provided, however, that no opinion is expressed concerning compliance with the federal securities laws or the "Blue Sky" laws of the various states.

(8) The Issuer is lawfully entitled to receive and empowered to pledge the Pledged Funds to the extent and for the purposes provided in the Resolution, and such pledge constitutes a

valid and binding pledge of the Pledged Funds for the payment of the Series 2015 Bonds. The Issuer is in compliance with all requirements of the Act relating to the Issuer's receipt of the Pledged Revenues.

(9) Except as otherwise disclosed in the Official Statement, there is no litigation or proceeding pending, or to the best of my knowledge after due inquiry threatened, challenging the creation, organization or existence of the Issuer, or the validity of the Resolution, the Ordinances, the Series 2015 Bonds, the Purchase Contract, [the Insurance Agreement, the Surety Agreement] or the Disclosure Dissemination Agent Agreement, seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby or under which a determination adverse to the Issuer would have a material adverse effect upon the financial conditions or the revenues of the Issuer, or which, in any manner, questions the right of the Issuer to issue the Series 2015 Bonds or to collect or pledge the Pledged Funds for repayment of the Series 2015 Bonds as described in the Official Statement.

This opinion is rendered and delivered to you solely for your benefit in connection with the transactions contemplated hereby. The opinions rendered herein may not be used, circulated, quoted, relied upon or otherwise referred to by others for any purpose without our prior written consent. I do not assume any duty to update the opinions rendered herein.

All opinions expressed herein are based upon Florida law and the federal laws of the United States and not the law of any other jurisdiction.

Sincerely,

Andrew W. J. Dickman
City Attorney

EXHIBIT D
FORM OF ISSUE PRICE CERTIFICATE

This Certificate is furnished by Stifel Nicolaus & Company, Inc. as underwriter (the “Underwriter”) of the \$_____ stated principal amount of the City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015 (the “Bonds”). The Underwriter hereby certifies and represents the following, based upon the information available to it:

1. Issue Price.

1.1 As of the date a purchase contract was signed with respect to the Bonds (the “Sale Date”), we reasonably expected that the first prices at which the Bonds would be sold to the general public (excluding bond houses, brokers, or similar persons acting in the capacity of underwriter or wholesalers) in a bona fide public offering would be the prices listed on Schedule A.

1.2 In our opinion, and based upon our estimate as of the Sale Date, the initial offering prices of the Bonds set forth in Schedule A are within a reasonable range of, and should reflect, the fair market prices for such Bonds.

1.3 As of the Sale Date, all of the Bonds have actually been offered to the general public at the prices listed in Schedule A.

1.4 As of the Sale Date at least 10% of each maturity of the Bonds were first sold [or reasonably expected to be sold] to the general public at the prices referred to in Schedule A[, with the exception of the following maturities: _____].

2. Reserve Fund.

The funding of the Reserve Fund as provided in the Tax Certificate is reasonably required, was a vital factor in marketing the Bonds, facilitated the marketing of the Bonds at an interest rate comparable to that of bonds and other obligations of a similar type and is not in excess of the amount necessary for such purpose.

[3. Credit Enhancement.

3.1 The present value of the amounts paid to obtain the Credit Enhancement (as defined in the Tax Certificate) is less than the present value of the interest reasonably expected to be saved as a result of having the Credit Enhancement, using the yield on the Bonds as the discount factor for this purpose.

3.2 To the best knowledge of the undersigned, the amount paid by the Issuer to the Credit Enhancer for the Credit Enhancement is within a reasonable range of premiums charged for comparable credit enhancement for obligations comparable to the obligation evidenced and represented by the Bonds.

3.3 The fees paid and to be paid to obtain the Credit Enhancement were determined in

arm's-length negotiations and were required as a condition to the issuance by the Credit Enhancer of the Credit Enhancement.

3.4 To the best of knowledge of the undersigned, the fees paid and to be paid for the Credit Enhancement represent a commercially reasonable charge for the transfer of credit risk. Such fees do not include any direct or indirect payment for a cost, risk or other element that is not customarily borne by guarantors of tax-exempt bonds in transactions in which the guarantor has no involvement other than as guarantor. No non-guarantee services are being provided by the Credit Enhancer.]

We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

Nothing herein represents our interpretation of any laws or regulations under the Internal Revenue Code of 1986, as amended.

Dated: _____

STIFEL NICOLAUS & COMPANY, INC., as
underwriter

By: _____
[banker]

By: _____
[underwriter]

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2015

Ratings: Moody's: "____"
S&P: "____"

(See "RATINGS" herein)

NEW ISSUE – BOOK-ENTRY ONLY

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, interest on the Series 2015 Bonds is, under existing statutes, regulations, rulings and court decisions, (a) excludable from gross income of the owners thereof for federal income tax purposes, except as otherwise described herein under the caption "TAX EXEMPTION" and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such interest, however, will be includable in the calculation of a corporation's alternative minimum taxable income and may be subject to other federal income tax consequences referred to herein under "TAX EXEMPTION." See "TAX EXEMPTION" herein for a general discussion of Bond Counsel's opinion.

\$ _____ *

**CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2015**

Dated: Date of Delivery

Due: May 1, as shown on inside cover page

The City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015 (the "Series 2015 Bonds") are being issued as fully registered bonds, in denominations of \$5,000 or any integral multiple thereof. Interest on the Series 2015 Bonds is payable semiannually on each May 1 and November 1, commencing November 1, 2015, and will be payable by check or draft of U.S. Bank National Association, Orlando, Florida, as Paying Agent, mailed to the Holder in whose name such Series 2015 Bond is registered, as shown on the registration books of the City of St. Pete Beach, Florida (the "City") maintained by U.S. Bank National Association, Orlando, Florida, as Registrar, as of the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the applicable interest payment date; provided, however, at the request of any Holder of Series 2015 Bonds, interest payments may be made by bank wire transfer to the account designated by such Holder. Principal of the Series 2015 Bonds is payable to the Holder thereof upon presentation and surrender, when due, at the designated corporate trust office of the Paying Agent. Upon initial issuance, the Series 2015 Bonds will be registered in the name of and held by Cede & Co. as nominee for The Depository Trust Company ("DTC"), an automated depository for securities and a clearinghouse for securities transactions. So long as DTC or Cede & Co. is the registered owner of the Series 2015 Bonds, payments of the principal of and interest on the Series 2015 Bonds will be mailed directly to DTC or Cede & Co., which is to remit such payments to the Participants (as defined herein), which in turn are to remit such payments to the Beneficial Owners (as defined herein) of the Series 2015 Bonds. See "DESCRIPTION OF THE SERIES 2015 BONDS - Book-Entry Only System" herein.

* Preliminary; subject to change.

The City is considering the purchase of municipal bond insurance. If all or a portion of the Series 2015 Bonds are sold on an insured basis, reference to the insurance policy and the insurer will appear in the final Official Statement and on the insured Series 2015 Bonds and any additional representations, undertakings or warranties by the City related to any such municipal bond insurance policy will be incorporated in the relevant financing and closing documents.

[The Series 2015 Bonds are subject to redemption prior to maturity, as set forth herein.]

The Series 2015 Bonds are being issued pursuant to the Constitution and laws of the State of Florida, Chapter 166, Florida Statutes, Chapter 218, Florida Statutes, the Charter of the City, Ordinance No. 2, approved by the Commission of the City (the "Commission") on September 24, 1957, as amended, supplemented and codified, and as the same may be amended from time to time, and any successor instrument thereto (the "Public Service Tax Ordinance"), Ordinance No. 2014-05, enacted on June 10, 2014, granting a franchise to Peoples Gas System (Florida), Inc. and any successor ordinance or instrument of the City granting a franchise to provide natural gas utility services, Ordinance No. 2011-15, enacted on June 15, 2011, granting a franchise to Florida Power Corp. and any successor ordinance or instrument of the City granting a franchise to provide electric utility services and other applicable provisions of law (collectively, the "Act"), Ordinance No. 2015-08 enacted by the Commission on May 12, 2015 (the "Ordinance"), and a resolution duly adopted by the Commission on May 12, 2015, as the same may be amended and supplemented (the "Resolution").

The Series 2015 Bonds are being issued, together with other legally available funds, to (a) finance the cost of acquiring, constructing and equipping the Series 2015 Project (as defined herein), (b) establish debt service reserves, if required or deemed necessary, (c) pay for any credit enhancement for the Series 2015 Bonds, and (d) pay costs of issuance of the Series 2015 Bonds.

The payment of the principal of, or Redemption Price, if applicable, and interest on the Series 2015 Bonds and any Additional Bonds issued pursuant to the Resolution shall be secured forthwith equally and ratably by a pledge of and lien upon (a) the Sales Tax Revenues, (b) the Guaranteed Entitlement Revenues, (c) the Franchise Fees Revenues, (d) the Public Service Tax Revenues, and (e) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution except (i) the Unrestricted Revenue Account and the Rebate Fund and (ii) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds"). See "SECURITY FOR THE SERIES 2015 BONDS" herein.

THE SERIES 2015 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE CITY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2015

BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2015 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2015 BOND FROM ANY MONEYS OF THE CITY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement, including the appendices attached hereto, to obtain information essential to the making of an informed investment decision.

The Series 2015 Bonds are offered when, as, and if issued and received by the Underwriters, subject to the opinion on certain legal matters relating to their issuance by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the City by its counsel, Law Offices of Andrew Dickman P.A., Naples, Florida and Greenberg Traurig, P.A., Orlando, Florida, Disclosure Counsel. Certain legal matters will be passed on for the Underwriters by GrayRobinson, P.A., Tampa, Florida. Larson Consulting Services, LLC, Orlando, Florida is serving as Financial Advisor to the City. It is expected that the Series 2015 Bonds in definitive form will be available for delivery to the Underwriters in New York, New York at the facilities of DTC on or about _____, 2015.

Stifel Nicolaus & Company, Incorporated

RBC Capital Markets

Dated: _____, 2015

\$ _____^{*}
CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2015

MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS
AND INITIAL CUSIP NUMBERS[†]

\$ _____^{*} **Serial Bonds**

Maturity (May 1)	Amount	Interest Rate	Price	Yield	Initial CUSIP Number[†]
-----------------------------	---------------	--------------------------	--------------	--------------	---

\$ _____ % Term Bonds due May 1, 20__ - Price _____
Yield _____ % - Initial CUSIP No. _____[†]

\$ _____ % Term Bonds due May 1, 20__ - Price _____
Yield _____ % - Initial CUSIP No. _____[†]

\$ _____ % Term Bonds due May 1, 20__ - Price _____
Yield _____ % - Initial CUSIP No. _____[†]

^{*} Preliminary; subject to change.

[†] The City is not responsible for the use of the CUSIP Numbers referenced herein nor is any representation made by the City as to their correctness. The CUSIP Numbers provided herein are included solely for the convenience of the readers of this Official Statement.

CITY OF ST. PETE BEACH, FLORIDA

BOARD OF COMMISSIONERS

Maria Lowe, Mayor
Melinda Pletcher, Vice Mayor
Teresa Finnerty, Commissioner
Domonick Falkenstein, Commissioner
Gregory Premier, Commissioner

ADMINISTRATION

Wayne Saunders, City Manager
Andrew W. J. Dickman, Esq., City Attorney
Elaine Edmunds, Administrative Services Director
Rebecca C. Haines, City Clerk

BOND COUNSEL

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

DISCLOSURE COUNSEL

Greenberg Traurig, P.A.
Orlando, Florida

FINANCIAL ADVISOR

Larson Consulting Services, LLC
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the City or the Underwriters to give any information or to make any representations in connection with the Series 2015 Bonds, other than as contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the City or the Underwriters. This Official Statement does not constitute an offer to sell nor the solicitation of an offer to buy, nor shall there be any sale of the Series 2015 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been obtained from the City, DTC and other sources that are believed to be reliable. The Underwriters listed on the cover page hereof have reviewed the information in this Official Statement in accordance with and as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction of any provisions or sections in this Official Statement. The offering of the Series 2015 Bonds is made only by means of this entire Official Statement.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "project," "forecast", "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The City does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

IN CONNECTION WITH THIS OFFERING OF THE SERIES 2015 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH SERIES 2015 BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2015 Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2015 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE CITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2015 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE CITY FOR PURPOSES OF RULE 15c2-12 ISSUED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(B)(1).

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OFFICIAL STATEMENT

Relating to

§ _____ *

**CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2015**

INTRODUCTION

The purpose of this Official Statement, including the cover page, inside cover page and appendices, is to set forth information concerning the City of St. Pete Beach, Florida (the "City") and the City of St. Pete Beach, Florida Capital Improvement Revenue Bonds, Series 2015 (the "Series 2015 Bonds"), in connection with the sale of the Series 2015 Bonds.

The Series 2015 Bonds are being issued pursuant to the Constitution and laws of the State of Florida, Chapter 166, Florida Statutes, Chapter 218, Florida Statutes, the Charter of the City, Ordinance No. 2, approved by the Commission of the City (the "Commission") on September 24, 1957, as amended, supplemented and codified, and as the same may be amended from time to time, and any successor instrument thereto (the "Public Service Tax Ordinance"), Ordinance No. 2014-05, enacted on June 10, 2014, granting a franchise to Peoples Gas System (Florida), Inc. and any successor ordinance or instrument of the City granting a franchise to provide natural gas utility services, Ordinance No. 2011-15, enacted on June 15, 2011, granting a franchise to Florida Power Corp. and any successor ordinance or instrument of the City granting a franchise to provide electric utility services and other applicable provisions of law (collectively, the "Act"), Ordinance No. 2015-08 enacted by the Commission on May 12, 2015 (the "Ordinance"), and a resolution duly adopted by the Commission on May 12, 2015, as the same may be amended and supplemented (the "Resolution"). See "APPENDIX B - FORM OF THE RESOLUTION" attached hereto.

The Series 2015 Bonds are being issued, together with other legally available funds, to (a) finance the cost of acquiring, constructing and equipping the Series 2015 Project (as defined herein), (b) establish debt service reserves, if required or deemed necessary, (c) pay for any credit enhancement for the Series 2015 Bonds, and (d) pay costs of issuance of the Series 2015 Bonds.

The payment of the principal of, or Redemption Price, if applicable, and interest on the Series 2015 Bonds and any Additional Bonds issued pursuant to the Resolution (collectively, the "Bonds") shall be secured forthwith equally and ratably by a pledge of and lien upon (a) the Sales Tax Revenues, (b) the Guaranteed Entitlement Revenues, (c) the Franchise Fees Revenues, (d) the Public Service Tax Revenues, and (e) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution except (i) the Unrestricted Revenue Account and the Rebate Fund and (ii) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall

* Preliminary; subject to change.

be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds"). See "SECURITY FOR THE SERIES 2015 BONDS" and "APPENDIX B - FORM OF THE RESOLUTION" attached hereto.

THE SERIES 2015 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE CITY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2015 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2015 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2015 BOND FROM ANY MONEYS OF THE CITY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

The City has covenanted to provide certain continuing disclosure information relating to the Series 2015 Bonds pursuant to Rule 15c2-12 adopted by the Securities and Exchange Commission. See "CONTINUING DISCLOSURE" herein.

Capitalized terms used but not otherwise defined herein have the same meaning ascribed thereto in the Resolution unless the context would clearly indicate otherwise. Complete descriptions of the terms and conditions of the Series 2015 Bonds are set forth in the Resolution, the form of which is attached as Appendix B to this Official Statement. The descriptions of the Series 2015 Bonds, the documents authorizing and securing the same, and the information from various reports and statements contained herein are not comprehensive or definitive. All references herein to such documents, reports and statements are qualified by the entire, actual content of such documents, reports and statements. A copy of the Resolution and all documents of the City referred to herein may be obtained from either the office of the City Manager, 155 Corey Avenue, St. Pete Beach, Florida 33706, telephone (727) 363-9232, or the City's Financial Advisor, Larson Consulting Services, 10151 University Blvd., #117, Orlando, Florida 32817, telephone (407) 496-1597.

THE SERIES 2015 PROJECT

The "Series 2015 Project" shall mean the Pass-A-Grille Project, the City Library Project, the Blind Pass Road Project and any other capital improvements approved by the Commission to be financed with proceeds of the Series 2015 Bonds, all as more particularly described in the plans and specifications on file with the City, as the same may be amended and supplemented from time to time.

DESCRIPTION OF THE SERIES 2015 BONDS

General

The Series 2015 Bonds shall be issued only in fully registered form without coupons in principal denominations of \$5,000 each or any integral multiple thereof. The Series 2015 Bonds are dated as of their date of delivery and bear interest at the rates per annum and mature on the dates set forth on the inside cover page hereof. Interest on the Series 2015 Bonds is payable semiannually on each May 1 and November 1, commencing November 1, 2015 (the "Interest Dates"). Interest payable on the Series 2015 Bonds on any Interest Date shall be paid by check or draft of U.S. Bank National Association, Orlando, Florida, as Paying Agent made payable and mailed to the Holder in whose name such Series 2015 Bond is registered, as shown on the registration books of the City maintained by U.S. Bank National Association, Orlando, Florida, as Registrar, as of the close of business on the fifteenth (15th) day (whether or not a business day) of the calendar month next preceding the applicable Interest Date (the "Record Date"); provided, however, at the request of any Holder of Series 2015 Bonds, interest payments may be made by bank wire transfer to the account designated by such Holder. Principal of, or Redemption Price, if applicable, on the Series 2015 Bonds is payable to the Holder thereof upon presentation and surrender, when due, at the designated corporate trust office of the Paying Agent.

The Series 2015 Bonds will be issued initially as book-entry only obligations and held by The Depository Trust Company ("DTC") as securities depository. The ownership of one fully registered Series 2015 Bond for each maturity as set forth on the inside cover page hereof, in the appropriate aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. For more information regarding DTC and DTC's Book-Entry Only System, see the subheading "Book-Entry Only System" which immediately follows.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM DTC, AND NEITHER THE CITY NOR THE UNDERWRITERS TAKES ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the Series 2015 Bonds. The Series 2015 Bonds will be registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2015 Bond will be issued for each interest rate of each maturity of the Series 2015 Bonds in the aggregate principal amount of such interest rate of such maturity, and will be deposited with DTC.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2015 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2015 BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2015 BONDS. THE DESCRIPTION WHICH FOLLOWS OF

THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2015 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2015 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2015 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2015 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2015 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, NEITHER THE CITY NOR THE UNDERWRITERS MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC, the world's largest securities depository, is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2015 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2015 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2015 Bond (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2015 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2015 Bonds, except in the event that use of the book-entry system for the Series 2015 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2015 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2015 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2015 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2015 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2015 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2015 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2015 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, redemption premium, if any, and interest payments on the Series 2015 Bonds will be made to DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent and Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory and regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City and/or the Paying Agent for the Series 2015 Bonds. Disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2015 Bonds at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2015 Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2015 Bond certificates

will be printed and delivered and be subject to transfer and registration as provided in the Resolution and as described under the subheading "Interchangeability, Negotiability and Transfer" which immediately follows.

Interchangeability, Negotiability and Transfer

So long as the Series 2015 Bonds are registered in the name of DTC or its nominee, the following paragraphs relating to transfer and exchange of Series 2015 Bonds do not apply to the Series 2015 Bonds to the extent of a conflict with the DTC book-entry only system.

The Series 2015 Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Series 2015 Bonds of the same maturity of any other authorized denominations.

The Series 2015 Bonds issued under the Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in the Resolution and in the Series 2015 Bonds. So long as any of the Series 2015 Bonds shall remain Outstanding, the City shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Series 2015 Bonds.

Each Series 2015 Bond shall be transferable only upon the books of the City, at the office of the Registrar, under such reasonable regulations as the City may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the transfer of any such Series 2015 Bond, the City shall issue, and cause to be authenticated, in the name of the transferee a new Series 2015 Bond or Series 2015 Bonds of the same aggregate principal amount and maturity as the surrendered Series 2015 Bond. The City, the Registrar and any Paying Agent or fiduciary of the City may deem and treat the Person in whose name any Outstanding Series 2015 Bond shall be registered upon the books of the City as the absolute owner of such Series 2015 Bond, whether such Series 2015 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if applicable, and interest on such Series 2015 Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2015 Bond to the extent of the sum or sums so paid and neither the City nor the Registrar nor any Paying Agent or other fiduciary of the City shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to any Series 2015 Bonds, forthwith (a) following the fifteenth (15th) day prior to an Interest Date for the Series 2015 Bonds; (b) following the fifteenth (15th) day next preceding the date of first mailing of notice of redemption of any Series 2015 Bonds; and (c) at any other time as reasonably requested by the Paying Agent of such Series 2015 Bonds, shall certify and furnish to such Paying Agent the names, addresses and holdings of Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Series

2015 Bond shall effect payment of interest on such Series 2015 Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging or transferring Series 2015 Bonds is exercised, the City shall execute and deliver Series 2015 Bonds and the Registrar shall authenticate such Series 2015 Bonds in accordance with the provisions of the Resolution. Execution of Series 2015 Bonds by the City Manager and City Clerk for purposes of exchanging, replacing or transferring Series 2015 Bonds may occur at the time of the original delivery of the Series 2015 Bonds. All Series 2015 Bonds surrendered in any such exchanges or transfers shall be held by the Registrar in safekeeping until directed by the City to be cancelled by the Registrar. For every such exchange or registration of transfer of Series 2015 Bonds, the City or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The City and the Registrar shall not be obligated to make any such exchange or transfer of Series 2015 Bonds during the fifteen (15) days next preceding an Interest Date on the Series 2015 Bonds or, in the case of any proposed redemption of the Series 2015 Bonds, then, for the Series 2015 Bonds subject to redemption, during the fifteen (15) days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

Series 2015 Bonds Mutilated, Destroyed, Stolen or Lost

So long as the Series 2015 Bonds are registered in the name of DTC or its nominee, the following paragraphs relating to mutilated, destroyed, stolen or lost Series 2015 Bonds do not apply to the Series 2015 Bonds to the extent of a conflict with the DTC book-entry only system.

In case any Series 2015 Bond shall become mutilated, or be destroyed, stolen or lost, the City may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Series 2015 Bond of like tenor as the Series 2015 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Series 2015 Bond upon surrender and cancellation of such mutilated Series 2015 Bond or in lieu of and substitution for the Series 2015 Bond destroyed, stolen or lost, and upon the Bondholder furnishing the City and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City or the Registrar may prescribe and paying such expenses as the City and the Registrar may incur. All Series 2015 Bonds so surrendered shall be cancelled by the Registrar. If any of the Series 2015 Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2015 Bond, the City may pay the same or cause the Series 2015 Bond to be paid, upon being indemnified as aforesaid, and if such Series 2015 Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2015 Bonds issued pursuant to the Resolution shall constitute original, additional contractual obligations on the part of the City whether or not the lost, stolen or destroyed Series 2015 Bond be at any time found by anyone, and such duplicate Series 2015 Bond shall be entitled to equal and proportionate benefits and rights as to the lien on the Pledged Funds to the same extent as all other Series 2015 Bonds issued pursuant to the Resolution.

Redemption Provisions

[To Come]

Selection of Bonds to be Redeemed

The Series 2015 Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The City shall, at least 45 days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar), notify the Registrar of such redemption date and of the principal amount of Series 2015 Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Series 2015 Bonds of a single maturity, the particular Series 2015 Bonds or portions of Series 2015 Bonds to be redeemed shall be selected not more than 45 days prior to the redemption date by the Registrar from the Outstanding Series 2015 Bonds of the maturity or maturities designated by the City by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Series 2015 Bonds or portions of Series 2015 Bonds in principal amounts of \$5,000 and integral multiples thereof. If less than all of a Term Bond is to be redeemed, the aggregate principal amount to be redeemed shall be allocated to the Amortization Installments on a pro-rata basis unless the City, in its discretion, designates a different allocation.

So long as the Series 2015 Bonds are registered in the name of DTC or its nominee, the following sentence does not apply to the Series 2015 Bonds to the extent of a conflict with the DTC book-entry only system. If less than all of the Series 2015 Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the City and Paying Agent (if the Registrar is not the Paying Agent for such Series 2015 Bonds) in writing of the Series 2015 Bonds or portions of Series 2015 Bonds selected for redemption and, in the case of any Series 2015 Bond selected for partial redemption, the principal amount thereof to be redeemed.

Notice of Redemption

So long as the Series 2015 Bonds are registered in the name of Cede & Co., as nominee of DTC (or in the name of any successor securities depository), notices of redemption shall only be given on behalf of the City to Cede & Co., or any successor securities depository. See "DESCRIPTION OF THE SERIES 2015 BONDS - Book-Entry Only System" herein.

Notice of redemption, which shall specify the Series 2015 Bond or Series 2015 Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the City, and (a) shall be filed with the Paying Agent of such Series 2015 Bonds, (b) shall be mailed first class, postage prepaid, not less than 30 days nor more than 45 days prior to the redemption date to all Holders of Series 2015 Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice, and (c) shall be mailed, certified mail, postage prepaid, at least 35 days prior to the redemption date to the registered securities depositories and one or more nationally recognized municipal bond information services as provided in the Resolution. Failure to mail such notice to such depositories or services or the Holders of the Series 2015 Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Series 2015 Bonds as to which no such failure or defect has occurred. Such notice shall also be mailed to the

Insurer, if any, of such redeemed Series 2015 Bonds. Failure of any Holder to receive any notice mailed as provided in the Resolution shall not affect the proceedings for redemption of such Holder's Series 2015 Bonds.

The City may provide that a redemption will be contingent upon the occurrence of certain conditions and that if such conditions do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Bondholders not later than three business days prior to the date of redemption.

SECURITY FOR THE SERIES 2015 BONDS

General

The payment of the principal of, or Redemption Price, if applicable, and interest on the Series 2015 Bonds and any Additional Bonds issued pursuant to the Resolution shall be secured forthwith equally and ratably by a pledge of and lien upon (a) the Sales Tax Revenues, (b) the Guaranteed Entitlement Revenues, (c) the Franchise Fees Revenues, (d) the Public Service Tax Revenues, and (e) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution except (i) the Unrestricted Revenue Account and the Rebate Fund and (ii) any moneys set aside in a particular subaccount of the Reserve Account if such moneys shall be pledged solely for the payment of a different Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Funds").

"Sales Tax Revenues" is defined in the Resolution to mean all moneys distributed (including any emergency distribution) to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund pursuant to Part VI, Chapter 218, Florida Statutes and other applicable provisions of law, and any funds received by the City as a replacement for any proceeds as the result of any change in Florida law. See "DESCRIPTION OF PLEDGED FUNDS - Sales Tax" herein.

"Guaranteed Entitlement Revenues" is defined in the Resolution to mean the revenues received by the City from the guaranteed entitlement portion of the Revenue Sharing Trust Fund for Municipalities payable to the City pursuant to Chapter 218, Part II, Florida Statutes, in the annual amount of \$199,235, and any funds received by the City as a replacement for any such proceeds as the result of any subsequent change in Florida law; provided, however, it shall not include any excess amounts payable to the City from the Revenue Sharing Trust Fund for Municipalities (such excess is commonly referred to as "Growth Money"). See "DESCRIPTION OF PLEDGED FUNDS - Guaranteed Entitlement Revenues" herein.

"Franchise Fees Revenues" is defined in the Resolution to mean all revenues received by the City pursuant to the Franchise Fees Instruments. "Franchise Fees Instruments" is defined in the Resolution to mean (a) Ordinance No. 2014-05, enacted on June 10, 2014, granting a franchise to Peoples Gas System (Florida), Inc. and any successor ordinance or instrument of the City granting a franchise to provide natural gas utility services and (b) Ordinance No. 2011-15, enacted on June 15, 2011, granting a franchise to Florida Power Corp. and any successor

ordinance or instrument of the City granting a franchise to provide electric utility services. See "DESCRIPTION OF PLEDGED FUNDS - Franchise Fees Revenues" herein.

"Public Service Tax Revenues" is defined in the Resolution to mean the proceeds of the public service tax received by the City from its levy of such tax on electricity, gas and water service pursuant to the Public Service Tax Ordinance at a rate of 10% and any funds received by the City as a replacement for any proceeds as a result of any change in Florida law. The City may include within the definition of "Public Service Tax Revenues" the levy of the public service tax on services other than electricity, gas and water service if the City provides by ordinance for such inclusion. See "DESCRIPTION OF PLEDGED FUNDS - Public Service Tax" herein.

THE SERIES 2015 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE CITY, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS, IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2015 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2015 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2015 BOND FROM ANY MONEYS OF THE CITY EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

Covenants Regarding the Pledged Funds

The City has covenanted in the Resolution: (a) to do all things necessary or required on its part by the Act or otherwise to entitle the City to receive the Sales Tax Revenues, the Guaranteed Entitlement Revenues, Franchise Fees Revenues and the Public Service Tax Revenues in the amounts currently provided under the Act and pursuant to the Public Service Tax Ordinance and the Franchise Fees Instruments; (b) to exercise all legally available remedies to enforce such receipt now or hereafter available under law; (c) to not take any action or enter into any agreement that shall result in impairing or reducing the level of Sales Tax Revenues or Guaranteed Entitlement Revenues or Franchise Fees Revenues or Public Service Tax Revenues received by the City from that level prevailing at the time the City takes such action or enters into such agreement; (d) to not amend the Franchise Fees Instruments in any manner which would reduce the amount of Franchise Fees Revenues received by the City; and (e) to not amend the Public Service Tax Ordinance in any manner which would reduce the amount of Public Service Tax Revenues received by the City.

The pledging of the Pledged Funds in the manner provided in the Resolution shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution, agreement or other proceedings of the City.

Funds and Accounts

Pursuant to the Resolution, the City has established the "City of St. Pete Beach Capital Improvement Revenue Bonds Revenue Fund," the "City of St. Pete Beach Capital Improvement Revenue Bonds Debt Service Fund," and the "City of St. Pete Beach Capital Improvement Revenue Bonds Rebate Fund." The City maintains in the Revenue Fund two accounts: the "Restricted Revenue Account" and the "Unrestricted Revenue Account." The City maintains in the Debt Service Fund four accounts: the "Principal Account," the "Interest Account," the "Bond Amortization Account" and the "Reserve Account." Moneys in the aforementioned funds and accounts, other than the Rebate Account and the Unrestricted Revenue Account, until applied in accordance with the provisions of the Resolution, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

Disposition of Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fees Revenues and Public Service Tax Revenues

(a) The City shall promptly deposit upon receipt all of the Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fees Revenues and Public Service Tax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the 25th day of each month, commencing in the month immediately following delivery of any of the Bonds to the purchasers thereof, or such later date as hereinafter provided, in the following manner and in the following order of priority:

(i) Interest Account. The City shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all of the Outstanding Bonds accrued and unpaid and to accrue to the end of the then current calendar month (assuming that a year consists of twelve (12) equal calendar months of thirty (30) days each). Moneys in the Interest Account shall be applied by the City (1) for deposit with the Paying Agent to pay the interest on the on or prior to the date the same shall become due, whether by maturity, redemption or otherwise, and (2) for Hedge Payments. The City shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date.

(ii) Principal Account. Commencing in the month which is one year prior to the first principal due date (or if the first principal due date is less than one year from the date of issuance of the Bonds, the month immediately following the issuance of the Bonds), the City shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amount on the Outstanding Bonds due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equal calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding payment due date from a

date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the City for deposit with the Paying Agent to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. The City shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(iii) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding Amortization Installment due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner provided in the Resolution or as provided by Supplemental Resolution, and for no other purpose. The City shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

(iv) Reserve Account. There shall next be deposited to the Reserve Account an amount which would enable the City to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto. All deficiencies in the Reserve Account must be made up no later than 12 months from the date such deficiency first occurred, whether such shortfall was caused by an increase in the applicable Reserve Account Requirement, a decrease in the aggregate market value of the investments therein of more than 5% or withdrawal (whether from cash or a Reserve Account Insurance Policy or Reserve Account Letter of Credit). On or prior to each principal payment date and Interest Date for the Bonds (in no event earlier than the 25th day of the month next preceding such payment date), moneys in the Reserve Account shall be applied by the City to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose. Whenever there shall be surplus moneys in the Reserve Account by reason of a decrease in the Reserve Account Requirement or as a result of a deposit in the Reserve

Account of a Reserve Account Letter of Credit or a Reserve Account Insurance Policy, such surplus moneys, to the extent practicable, shall be deposited by the City into the Restricted Revenue Account and applied as directed by opinion of Bond Counsel. The City shall promptly inform each Insurer and Credit Bank of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as provided in the Resolution, the City shall fund the Reserve Account in an amount at least equal to the applicable Reserve Account Requirement to the extent such Series of Bonds are to be secured by the Reserve Account or any subaccount therein; provided, however, nothing in the Resolution shall be construed to require the City to fund the Reserve Account or any subaccount for any Series of Bonds. Upon the adoption of the Supplemental Resolution authorizing the issuance of any Series of Bonds, the City shall determine whether such Series of Bonds shall be secured by the Reserve Account or any subaccount therein and, if the City determines that the Series of Bonds will be secured by a separate subaccount therein, the City shall also establish the Reserve Account Requirement applicable thereto. Such required amount, if any, shall be paid in full or in part from the proceeds of such Series of Bonds or may be accumulated in equal monthly payments to the Reserve Account or subaccount therein over a period of months from the date of issuance of such Series of Bonds, which shall not exceed 36 months.

Whenever the amount of cash in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Debt Service Fund for the payment of the Bonds.

The City may also establish a separate subaccount in the Reserve Account for any Series of Bonds and such subaccount shall be pledged to the payment of such Series of Bonds apart from the pledge provided in the Resolution. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Account Requirement relating to such separate subaccount of the Reserve Account at such level as the City deems appropriate. In the event the City by Supplemental Resolution establishes the Reserve Account Requirement for a particular Series of Bonds to be zero (0.00) or it shall determine that such Series are not to be secured in any manner by the Reserve Account or a subaccount, then it shall not be required to establish a separate subaccount; provided, however, such Series of Bonds shall have no lien on or pledge of any moneys on deposit in the Reserve Account. Moneys used to replenish the Reserve Account shall be deposited in the separate subaccounts in the Reserve Account and in the Reserve Account on a pro-rata basis.

[Insert Description of Series 2015 Reserve Account]

(v) Unrestricted Revenue Account. The balance of any moneys after the deposits described above may be transferred, at the discretion of the City, to the Unrestricted Revenue Account or any other appropriate fund and account of the City and may be used for any lawful purpose including, without limitation, early redemption of the Bonds. In the event moneys on deposit in the Interest Account and the Principal Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due on such Interest Date, the City shall transfer moneys from the Unrestricted Revenue Account, if any, to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

(b) The City, in its discretion, may use moneys in the Principal Account, the Bond Amortization Account and the Interest Account to purchase or redeem Outstanding Bonds coming due on the next principal payment date, provided such purchase or redemption does not adversely affect the City's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased or redeemed.

(c) At least one (1) business day prior to the date established for payment of any principal of or interest on the Bonds, the City shall withdraw from the appropriate Account of the Debt Service Fund sufficient moneys to pay such principal or interest and deposit such moneys with the Paying Agent. Such deposits with the Paying Agent shall be made in moneys available to make payments of the principal of and interest on the Bonds as the same becomes due.

Rebate Fund

Amounts on deposit in the Rebate Fund shall be held in trust by the City and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Revenue Fund) and the Bondholders shall have no right to have the same applied for debt service on the Bonds.

Additional Bonds

No Additional Bonds, payable on a parity with the Bonds then Outstanding pursuant to the Resolution, shall be issued except upon the conditions and in the manner provided in the Resolution. The City may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing or refinancing the Costs of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the City or any other indebtedness of the City that it may lawfully refund with proceeds of Bonds. No such Additional Bonds shall be issued unless (a) no Event of Default (as specified in the Resolution) shall have occurred and be continuing and (b) the following conditions are complied with:

(i) Except as otherwise provided in paragraph (iv) below, there shall have been obtained and filed with the City a statement of the City Manager: (1) stating that he or she has examined the books and records of the City relating to the Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fees Revenues and Public Services Tax Revenues which have been received by the City; (2) setting forth the amount of such Sales Tax Revenues, Guaranteed

Entitlement Revenues, Franchise Fees Revenues and Public Service Tax Revenues during any twelve (12) consecutive months designated by the City within the twenty-four (24) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made; and (3) stating that the aggregate amount of such Sales Tax Revenues, Guaranteed Entitlement Revenues, Franchise Fees Revenues and Public Services Tax Revenues received during the aforementioned 12-month period equals at least 1.50 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional Bonds with respect to which such statement is made. Such report may be partially based upon a certification of certain matters related to the calculation of the Maximum Annual Debt Service by the City's Financial Advisor.

(ii) For the purpose of determining the Debt Service, the interest rate on Additional Bonds that are proposed to be as Variable Rate Bonds shall be deemed to be the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(iii) For the purpose of determining the Debt Service, the interest rate on Outstanding Variable Rate Bonds (not subject to a Qualified Hedge Agreement) shall be deemed to be (1) if such Variable Rate Bonds have been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the highest of (a) the actual rate of interest borne by such Variable Rate Bonds on the date of sale, and (b) the average interest rate borne by such Variable Rate Bonds during the 12-month period preceding the date of sale, or (2) if such Variable Rate Bonds have not been Outstanding for at least 12 months prior to the date of sale of such Additional Bonds, the higher of (a) the actual rate of interest borne by the Variable Rate Bonds on the date of sale, and (b) the Bond Buyer Revenue Bond Index most recently published prior to the sale of such Additional Bonds.

(iv) Additional Bonds shall be deemed to have been issued pursuant to the Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of the Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to the Resolution. Except as otherwise provided in the Resolution, all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other; provided, however, that the City shall include a provision in any Supplemental Resolution authorizing the issuance of Variable Rate Additional Bonds that in the event the principal thereof is accelerated due to such Bonds being held by the Credit Facility Provider, the lien of any accelerated debt due and owing such Credit Facility Provider on the Pledged Funds shall be subordinate in all respects to the pledge of the Pledged Funds created by the Resolution.

(v) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of paragraph (a) above shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of aggregate debt service. The conditions of paragraph (i) above shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

DESCRIPTION OF PLEDGED FUNDS

Sales Tax

Chapter 212, Florida Statutes (the "Sales Tax Act"), authorizes the levy and collection by the State of sales tax upon, among other things, the sales price of each item or article of tangible personal property sold at retail in the State, subject to certain exceptions and dealer allowances. In 1982, the Florida Legislature created the Local Government Half-Cent Sales Tax Program (the "Half-Cent Sales Tax Program") which distributes a portion of the sales tax revenue and money from the State's General Revenue Fund to counties and municipalities that meet strict eligibility requirements. In 1982, when the Half-Cent Sales Tax Program was created, the general rate of sales tax in the State was increased from 4% to 5%, and one-half of the fifth cent was devoted to the Half-Cent Sales Tax Program, thus giving rise to the name "Half-Cent Sales Tax." Although the amount of sales tax revenue deposited into the Half-Cent Sales Tax Program is no longer one-half of the fifth cent of every dollar of the sales price of an item subject to sales tax, the name "Half-Cent Sales Tax" has continued to be utilized.

The Half-Cent Sales Tax is collected on behalf of the State by businesses at the time of sale at retail, use, consumption, or storage for use or consumption, of taxable property and remitted to the State on a monthly basis. The Sales Tax Act provides for penalties and fines, including criminal prosecution, for non-compliance with the provisions thereof.

Section 212.20, Florida Statutes, provides for the distribution of sales tax revenues collected by the State and further provides for the distribution of a portion of sales tax revenues to the Local Government Half-Cent Sales Tax Clearing Trust Fund established pursuant to Part VI of Chapter 218, Florida Statutes (the "Half-Cent Sales Tax Trust Fund"), after providing for transfers to the State's General Revenue Fund. The entire sales tax remitted to the State by each sales tax dealer located within a particular county is deposited in the Half-Cent Sales Tax Trust Fund and earmarked for distribution to the governing body of such county and each participating municipality within that county pursuant to a distribution formula.

The percentage of Half-Cent Sales Tax revenues deposited in the Half-Cent Sales Tax Trust Fund is 8.814%. The general rate of sales tax in the State is currently 6.00%. After taking into account the distributions to the State's General Revenue Fund (historically 5% of taxes collected), for every dollar of taxable sales price of an item, approximately 0.529 cents is deposited into the Half-Cent Sales Tax Trust Fund.

As of October 1, 2001, the Half-Cent Sales Tax Trust Fund began receiving a portion of the Communications Services Tax revenues pursuant to Chapter 202, Florida Statutes. Accordingly, moneys distributed from the Half-Cent Sales Tax Trust Fund now consist of funds derived from both general sales tax proceeds and Communications Services Tax revenues required to be deposited into the Half-Cent Sales Tax Trust Fund.

The Half-Cent Sales Tax revenues are distributed from the Half-Cent Sales Tax Trust Fund on a monthly basis to participating units of local government in accordance with Part VI of Chapter 218, Florida Statutes (the "Half-Cent Sales Tax Act"). The Half-Cent Sales Tax Act

permits the City to pledge its share of the Half-Cent Sales Tax for the payment of principal of and interest on any capital project.

To be eligible to participate in the Half-Cent Sales Tax Program, each municipality and county is required to have:

(a) reported its finances for its most recently completed fiscal year to the Florida Department of Financial Services as required by Florida law;

(b) made provisions for annual post audits of financial accounts in accordance with provisions of law;

(c) levied, as shown on its most recent financial report, ad valorem taxes, exclusive of taxes levied for debt service or other special millages authorized by the voters, to produce the revenue equivalent to a millage rate of three (3) mills on the dollar based upon 1973 taxable values or, in order to produce revenue equivalent to that which would otherwise be produced by such three (3) mill ad valorem tax, to have received a remittance from the county pursuant to a municipal services benefit unit, collected an occupational license tax or utility tax, levied an ad valorem tax, or have received revenue from any combination of those four sources;

(d) certified that persons in its employ as law enforcement officers meet certain qualifications for employment, and receive certain compensation;

(e) certified that persons in its employ as firefighters meet certain employment qualifications and are eligible for certain compensation;

(f) certified that each dependent special district that is budgeted separately from the general budget of such county or municipality has met the provisions for annual post audit of its financial accounts in accordance with law; and

(g) certified to the Florida Department of Revenue ("FDOR") that it has complied with certain procedures regarding the establishment of the ad valorem tax millage of the county or municipality as required by law.

Although the Sales Tax Act does not impose any limitation on the number of years during which a county or municipality may receive distributions of the Half-Cent Sales Tax revenues from the Half-Cent Sales Tax Trust Fund, there may be amendments to the Sales Tax Act in subsequent years imposing additional requirements of eligibility for counties and municipalities participating in the Half-Cent Sales Tax revenues, or the distribution formulas in Sections 212.20(6)(d) or 218.62, Florida Statutes, may be revised. To be eligible to participate in the Half-Cent Sales Tax Trust Fund in future years, the City must comply with the financial reporting and other requirements of the Sales Tax Act. Otherwise, the City would lose its Half-Cent Sales Tax Trust Fund distributions for twelve (12) months following a "determination of noncompliance" by FDOR. The City has always maintained eligibility to receive the Sales Tax Revenues.

Half-Cent Sales Tax revenues collected within a county and deposited in the Half-Cent Sales Tax Trust Fund are distributed among such county and the eligible municipalities therein in accordance with the following formula:

$$\begin{array}{lcl}
 \text{County's share (expressed as a} & & \\
 \text{percentage of total Half-Cent} & & \\
 \text{Sales Tax Revenues)} & = & \frac{\text{Unincorporated county population} + \frac{2}{3} \text{ of the incorporated county population}}{\text{Total county population} + \frac{2}{3} \text{ of the incorporated county population}} \\
 \\
 \text{Each municipality's share} & & \\
 \text{(expressed as a percentage of} & & \\
 \text{statewide Half-Cent Sales Tax} & = & \frac{\text{municipality population}}{\text{Total county population} + \frac{2}{3} \text{ of the incorporated county population}} \\
 \text{Revenues)} & &
 \end{array}$$

The amount of Half-Cent Sales Tax revenues distributed to the City is subject to increase or decrease due to (a) more or less favorable economic conditions, (b) increases or decreases in the dollar volume of taxable sales within Pinellas County, (c) legislative changes relating to the Half-Cent Sales Tax, which may include changes in the scope of taxable sales, changes in the tax rate and changes in the amount of sales tax revenue deposited into the Half-Cent Sales Tax Trust Fund, (d) the relative population of the City compared to the population of the unincorporated areas of Pinellas County and the other municipalities therein and (e) other factors which may be beyond the control of the City or the Bondholders, including but not limited to the increasing use of electronic commerce and other internet-related sales activity that could have a material adverse impact upon the amount of Half-Cent Sales Tax collected by the State and then distributed to the City.

Upon issuance of the Series 2015 Bonds, the Series 2015 Bonds will be the only outstanding bonds of the City secured by a pledge of its Sales Tax Revenues.

The following table sets forth the historical collections of the Sales Tax Revenues by the City.

**City of St. Pete Beach
Historical Sales Tax Collections**

Year Ended September 30	Sales Tax Collections	Percentage Change
2010	\$480,771	-
2011	485,227	0.93%
2012	491,998	1.40
2013	513,577	4.39
2014	539,946	5.13

Source: City of St. Pete Beach Finance Department.

Guaranteed Entitlement Revenues

"Guaranteed Entitlement" as it applies to Florida municipalities such as the City is defined in the Florida Revenue Sharing Act of 1972, Chapter 218, Part II, Florida Statutes (the "Revenue Sharing Act") and means the amount of revenues from certain of the taxes on sales and uses distributed pursuant to Section 212.20(6)(d)6., Florida Statutes, certain of the municipal fuel tax distributed pursuant to Section 206.41(1)(c), Florida Statutes, and certain of the State alternative fuel fees distributed pursuant to Section 206.877, Florida Statutes, which must be shared with an eligible unit of local government so that no eligible municipality will receive less from the Revenue Sharing Trust Fund for Municipalities established by the Revenue Sharing Act in any State fiscal year, to the extent available, than the amount received by that municipality in the aggregate from certain State taxes in the State fiscal year 1971-1972.

Revenues deposited in the Revenue Sharing Trust Fund for Municipalities are distributed monthly to the municipalities. The City annually receives \$199,235 which is referred to in the Resolution as "Guaranteed Entitlement Revenues." The City is permitted to pledge and has pledged for the payment of the Bonds only its Guaranteed Entitlement portion of the State revenue-sharing receipts (i.e., the Guaranteed Entitlement Revenues).

Revenue Sharing Act. The Revenue Sharing Act creates the Revenue Sharing Trust Fund for Municipalities and sets forth criteria for participation by municipalities in revenue sharing, the method of distribution and a formula basis for apportionment of receipts available for distribution after distribution of the Guaranteed Entitlement.

For municipalities, the apportionment factor is composed of three equally weighted portions: (a) the proportion of the population of a given municipality to the total population of all eligible municipalities in the State multiplied by an adjustment factor based upon the level of population of such municipality (the "Adjustment Factor"); (b) the proportion of the sales tax collected within a given municipality to the total sales tax collected within all the eligible municipalities in the State; and (c) the ratio of the relative local ability to raise revenue, to be determined: (i) by dividing the per capita nonexempt assessed real and personal property valuation of all eligible municipalities by the per capita nonexempt real and personal property valuation of each eligible municipality, (ii) by multiplying the population of an eligible municipality by the Adjustment Factor applicable to that municipality, and (iii) by dividing the population, as recalculated to reflect the relative local ability, by the total recalculated population of all eligible municipalities in the state.

Eligibility to Receive Guaranteed Entitlement. Pursuant to Section 218.23, Florida Statutes, to be eligible to participate in revenue-sharing and receive Guaranteed Entitlement Revenues in any fiscal year, the City must have: (a) reported its finances for its most recently completed fiscal year to the State Department of Financial Services as required by Florida law; (b) made provision for annual post audits of its financial accounts in accordance with provisions of law; (c) levied, as shown on its most recent financial report, ad valorem taxes, exclusive of taxes levied for debt service or other special millages authorized by the voters, to produce the revenue equivalent to a millage rate of three mills on the dollar based on the 1973 taxable values as certified by the property appraiser or, in order to produce revenue equivalent to that which would otherwise be produced by such three mill ad valorem tax, to have received a remittance

from the county pursuant to Section 125.01(6)(a), Florida Statutes, collected an occupational license tax or a utility tax, levied an ad valorem tax, or received revenue from any combination of these four sources; (d) certified compliance with State standards for qualification for employment of law enforcement officers, minimum annual salary rates for full-time law enforcement officers and certified that other requirements of law relating to firefighters have been met; (e) certified that each dependent special district that is budgeted separately from the general budget of the municipality has met the provisions for annual post audit of its financial accounts in accordance with the applicable provisions of law, and (f) certified to FDOR that it has complied with certain procedures regarding the establishment of the ad valorem tax millage as required by law. To date, the City has never failed to comply with the foregoing requirements of the Revenue Sharing Act.

Franchise Fees Revenues

General franchise fees are taxes the City collects from various franchises located within the City. The City receives a certain percentage of operating revenues from the utility companies who enter into contracts with the City. Franchise fees are levied annually on utility companies by the City in return for granting a privilege sanctioning a monopoly or permitting the use of public property. Such fees are currently imposed on Peoples Gas System (Florida), Inc. and Florida Power Corp. d/b/a as Duke Energy ("Duke Energy"). The term of the franchise granted to Duke Energy is effective through June 15, 2021 which is prior to the maturity of the Series 2015 Bonds. However, the definition of Franchise Fee Instruments in the Resolution provides that any successor ordinance or instrument of the City granting a franchise to provide electric utility services shall be considered a "Franchise Fee Instrument," the revenues from which will constitute Franchise Fees Revenues for purposes of the Bond Resolution.

Upon issuance of the Series 2015 Bonds, the Series 2015 Bonds will be the only outstanding bonds of the City secured by a pledge of its Franchise Fees Revenues.

The following table sets forth the historical collections by the City of the Franchise Fees Revenues.

City of St. Pete Beach, Florida Historical Franchise Fees Revenue Collections

Year Ended September 30	Franchise Fee Revenue Collections	Percent Change
2010	\$1,281,867	-
2011	1,188,408	(7.29%)
2012	1,147,857	(3.41)
2013	1,085,415	(5.44)
2014	1,155,145	6.42

Source: City of St. Pete Beach Finance Department.

Public Service Tax

The Public Service Tax is imposed, levied and collected by the City pursuant to Section 166.231, Florida Statutes, and other applicable provisions of law, on the purchase of electricity, fuel oil, metered or bottled gas (natural liquefied petroleum gas or manufactured), water service, and other services on which a tax may be imposed by law.

Pursuant to Section 166.231, Florida Statutes, and Ordinance No. 2 adopted by the Commission on September 24, 1957, as the same may be amended from time to time (the "Public Service Tax Ordinance"), the City levies and collects a Public Service Tax on each and every purchase of electricity; metered or bottled natural, liquefied, petroleum or manufactured gas; and water service within the corporate limits of the City, at the rate of 10% of the purchase price received by the seller. The Public Service Tax is required to be collected by the seller of the utility service from the purchaser thereof at the time of payment for such service, but not less often than monthly.

The Public Service Tax Ordinance provides that it shall be unlawful for any seller of such utility service to collect the price of any sale of fuel oil, electricity and metered or bottled gas (natural, liquefied, petroleum gas or manufactured), and water without at the same time collecting the tax imposed and levied in respect to such purchase, unless such seller shall elect to assume and pay such tax without collecting it from the purchaser. Any seller failing to collect such tax at the time of collecting the price of any purchase, where the seller has not elected to assume and pay such tax, shall be liable to the city for the amount of such tax in like manner as if the tax had been actually paid to the seller. The City shall cause to be brought all suits and actions and to take all proceedings as may be necessary for the recovery of such tax. The seller shall not be liable for the payment of such tax upon uncollected charges.

Pursuant to the Public Service Tax Ordinance, if any purchaser shall fail, neglect or refuse to pay the tax imposed and levied and as required on account of the purchase for which such charge is made, the seller shall have and is vested with the right, power and authority to immediately discontinue further service to such purchaser until the tax and the seller's bill shall have been paid in full.

Pursuant to Section 166.231, Florida Statutes, a municipality is permitted to grant to any qualified business located within an enterprise zone an exemption equal to fifty percent (50%) of the Public Service Tax imposed on the purchase of electricity, or one hundred percent (100%) if no less than twenty percent (20%) of the employees of such business are residents of an enterprise zone, excluding temporary and part-time employees. The ability to authorize this exemption expires on December 31, 2015 pursuant to Chapter 290, Florida Statutes. A municipality is also permitted to exempt from the Public Service Tax up to and including the first 500 kilowatt hours of electricity purchased per month for residential use and to exempt all or a portion of the purchase of electricity, or reduce the rate of taxation thereon, when purchased by an industrial consumer which uses the electricity directly in industrial manufacturing, processing, compounding or a production process of items of personal property for sale. The City has not adopted any such exemptions.

Additionally, a municipality may provide an exemption to the Public Service Tax for any public body as defined in Section 1.01, Florida Statutes, and any non-profit corporation or cooperative association organized under Chapter 617, Florida Statutes, which provides water utility services to no more than 13,500 equivalent residential units, ownership of which will revert to a political subdivision upon retirement of all outstanding indebtedness, and is required to exempt purchases by any recognized church for use exclusively for church purposes. The City does exempt purchases by the United States Federal Government, the State and political subdivisions and agencies thereof, and churches.

The amount of Public Service Tax received by the City may fluctuate as the usage and price of electricity services fluctuates and a sustained increase in the price thereof may have an adverse effect on the amount of tax collected. The amount of Public Service Tax received by the City is also subject to increase or decrease due to legislative changes. The amount of the Public Service Tax collected within the City may be adversely affected by changes in population within the City. Such changes in population could decrease the number of purchasers of electricity within the City.

Upon issuance of the Series 2015 Bonds, the Series 2015 Bonds will be the only outstanding bonds of the City secured by a pledge of its Public Service Tax Revenues.

The following table sets forth the historical collections by the City of the Public Service Tax Revenues derived from the sale of Electricity.

**City of St. Pete Beach, Florida
Historical Public Service Tax Collections**

Year Ended September 30	Public Service Tax Collections	Percent Change
2010	\$1,635,698	-
2011	1,542,300	(5.71%)
2012	1,473,331	(4.47)
2013	1,527,262	3.66
2014	1,632,645	6.90

Source: City of St. Pete Beach Finance Department.

PRO-FORMA DEBT SERVICE COVERAGE

Maximum Annual Debt Service	Half-Cent Sales Tax Revenues for the Year Ended 09/30/14	Guaranteed Entitlement Revenues for the Year Ended 09/30/14	Franchise Fees Revenues for the Year Ended 09/30/14	Public Service Tax Revenues For The Year Ended 09/30/14	Total Pledged Funds for the Year Ended 09/30/14	Pro- Forma Debt Service Coverage

MUNICIPAL BOND INSURANCE

THE INFORMATION RELATING TO THE INSURER CONTAINED HEREIN HAS BEEN FURNISHED BY THE INSURER. NO REPRESENTATION IS MADE BY THE CITY NOR THE UNDERWRITER AS TO THE ACCURACY OR ADEQUACY OF SUCH INFORMATION OR THAT THERE HAS NOT BEEN ANY MATERIAL ADVERSE CHANGE IN SUCH INFORMATION SUBSEQUENT TO THE DATE OF SUCH INFORMATION. NEITHER THE CITY NOR THE UNDERWRITER HAS MADE ANY INVESTIGATION INTO THE FINANCIAL CONDITION OF THE INSURER, AND NO REPRESENTATION IS MADE AS TO THE ABILITY OF THE INSURER TO MEET ITS OBLIGATIONS UNDER THE MUNICIPAL BOND INSURANCE POLICY.

The following information is not complete and reference is made to APPENDIX ____ for a specimen of the hereinafter defined Municipal Bond Insurance Policy of the Insurer.

[TO COME]

2015 RESERVE ACCOUNT INSURANCE POLICY

[TO COME]

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of the proceeds to be received from the sale of the Series 2015 Bonds and other legally available funds of the City:

Sources of Funds:

Principal Amount of Series 2015 Bonds	\$
Plus/Less Net Original Issue Premium/Discount	
Other Legally Available Funds	
Total Sources of Funds	<u>\$</u>

Uses of Funds:

Deposit to Construction Fund	\$
Costs of Issuance ⁽¹⁾	
Total Uses	<u>\$</u>

⁽¹⁾ Includes legal and financial advisory fees, bank fees, printing, Registrar and Paying Agent fees, dissemination agent fees, surety fees, if any, the bond insurance premium, if any, and Underwriters' discount.

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DEBT SERVICE SCHEDULE

The following table sets forth the annual debt service schedule for the Series 2015 Bonds.

Bond Year Ending <u> 1</u>	Principal	Interest	Total Debt Service
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PENSION AND OTHER POST EMPLOYMENT BENEFITS PLANS

The information relating to the Police Officers' Retirement System, the Firefighters' Retirement System and the General Employees' Retirement System (collectively, the "Plans") and OPEB Plan (each, as defined herein) contained in this Official Statement has been obtained from each plan's actuarial reports and the Comprehensive Annual Financial Report For the Year Ended September 30, 2014 of the City (the "CAFR"). No representation is made by the City as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

As described in more detail below, the City administers three defined benefit pension plans: the Police Officers' Retirement System, the Firefighters' Retirement System and the General Employees' Retirement System. The financial statements of each Plan are included in the CAFR of the City. The Plans do not issue stand-alone financial reports.

The investments of the Plans are held by the City in a trustee capacity and are maintained in segregated trust accounts for each Plan. The trust accounts are managed by a professional trustee pursuant to trust agreements with the City. The costs of administering the pension funds, including professional fees, are paid by each respective Plan.

Each of the Plans provide retirement, disability, death benefits and deferred retirement option plans ("DROP") to plan members and their beneficiaries. Each Plan has early retirement provisions and cost of living increase provisions.

Summary of Accounting Policies. The financial statements of the Plans are prepared using the accrual basis of accounting in conformity with generally accepted accounting principles. Under this basis, plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans.

Funding Policy and Annual Cost. The Board of Trustees of each Plan establishes and may amend the contribution requirements of plan members and the City.

Police Officers' Retirement System

Plan Description. The Police Officers' Retirement System, (the "Police Plan"), a single-employer defined benefit pension plan, was established pursuant to Ordinance No. [] and by Chapter 185, Florida Statutes. The Police Plan is classified as a fiduciary trust fund of the City and is administered by a Board of Trustees, which is composed of five members (two legal residents appointed by the Commission; two members of the Police Plan elected by a majority of the Police Plan members; and one member who is elected by a majority of the other board members and approved by the Commission).

All police officers of the City are eligible to become members of the Police Plan. As a result of the Police Department being merged into the Pinellas County Sheriff's Department,

plan members can elect to remain in the Police Plan or enter into the Florida Retirement System. As of September 30, 2014, the Police Plan had 4 active participants, 25 inactive plan members and beneficiaries currently receiving benefits, and 5 inactive plan members entitled to but not yet receiving benefits. The total annual payroll for eligible employees covered by the Police Plan was \$124,414.

A freeze on all accrued benefits was implemented as of January 31, 2013 except for plan members who have attained age 55 or 25 years of credited service as of that date. Such plan members will accrue benefits in accordance with the Police Plan provisions in effect prior to January 31, 2013. For all plan members that had not completed 10 years of credited service by January 31, 2013, the normal retirement date will be the earlier of attaining age 60 and the completion of 10 years of credited service or the completion of 30 years of credited service regardless of age. Early retirement is the earlier of age 50 and 10 years of credited service and 20 years of credited service regardless of age for frozen benefits. There is no early retirement for those that don't have frozen benefits, except that if a plan member had 10 years of credited service on January 31, 2013 then prior retirement criteria applies to both benefits. The amount is equal to the accrued benefit, reduced 3% per year. A plan member is 10% vested after 1 year of credited service plus 10% per year thereafter up to 100% after 10 years if they have frozen benefits and 100% after 10 years of credited service for all other participants. A plan member will receive the vested portion of their accrued benefit payable at the otherwise normal retirement date. Plan members are eligible for total and permanent disability benefits after 10 years of credited service (for non-service incurred) or from the date of hire (for service-incurred). The benefits are accrued to the date of disability but not less than 50% of average final compensation for service-incurred disability. Pre-retirement death benefits for vested individuals is equal to the value of accrued benefits payable on a monthly basis to the beneficiary for 10 years. For non-vested plan members, benefits include a refund of contributions without interest. Retirees receive a 3% per year cost of living adjustment ("COLA") commencing 7 years after retirement (10 years after retirement if they retired prior to March 14, 2006) on any frozen benefits. There is no COLA for plan members without frozen benefits. Plan members will not be able to enter the DROP effective February 1, 2013 except for plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the plan member can elect a rate of return equal to 7.5% annual rate or actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2014 was \$273,208. Plan member contribution rates were lowered from 8.3% to 3% effective February 1, 2013 except for plan members who have attained age 55 or 25 years of credited service as of that date who will continue to make contributions at 8.3%.

[The Police Plan is a governmental benefit plan and is tax exempt under the Internal Revenue Code.]

Funded Status and Funding Progress. The following is the funded status information for the Police Plan as of October 1, 2014, the most recent actuarial valuation date (in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
October 1, 2014	\$11,293,865	\$16,509,410	\$5,215,545	68.41%	\$124,414	3547.32%

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

Annual Pension Costs and Net Pension Obligation. The City's annual pension cost and net pension obligation (the "NPO") to the Police Plan for the fiscal year ended September 30, 2014 are as follows:

Actuarially determined contribution (A)	\$666,007 ⁽¹⁾
Interest on NPO	(60,751)
Adjustment to (A)	62,167
Annual Pension Cost	\$667,423
Contributions made	666,007 ⁽¹⁾
Increase in NPO	\$ 1,416
NPO beginning of year	(783,880)
NPO end of year	(\$782,464)

⁽¹⁾ Beginning September 30, 2012 this includes both City and State contributions.

Source: Actuarial Valuation Report as of October 1, 2014.

The funded ratio, one measure of the Police Plan's financial health, is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. The funded ratio was 68.41% for the fiscal year ended September 30, 2014, compared to 71.38% for the prior year.

Three Year Trend Information

Fiscal Year Ending September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation ⁽¹⁾
2012	\$692,038	110%	(\$ 97,422)
2013	505,311	236	(783,880)
2014	667,423	100	(782,464)

⁽¹⁾ Beginning October 1, 2012 this includes both City and State contributions.

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

Actuarial Assumptions and Actuarial Cost Method. The actuarial assumptions in effect for the 2014-2015 fiscal year included (a) 7.75% investment rate of return (compounded

annually); (b) projected salary increases of 5% per year; and (c) 3% rate of inflation. The actuarial value of assets is determined by smoothing the differences between actual investment earnings and assumed investment return over four years. This method was adopted effective October 1, 2011 with no phase-in. The resulting value would then be limited to between 80% and 120% of market value. The estimated required employer contribution for the 2015 fiscal year is \$491,716 (net of the estimated State contribution of \$88,047).

To determine the Police Plan's contribution requirements, the Entry Age Normal Cost Method was used. Under this method, the normal cost is the sum of the individual normal costs for all active plan members. For an active plan member, the normal cost is the plan member's normal cost accrual rate, multiplied by the plan member's current compensation. The normal cost accrual rate equals (a) the present value of future benefits for the plan member, determined as of the plan member's entry age, divided by (b) the present value of the compensation expected to be paid to the plan member for each year of the plan member's anticipated future service, determined as of the plan member's entry age. In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation. The accrued liability is the sum of the individual accrued liabilities for all plan members and beneficiaries. A plan member's accrued liability equals the present value, at the plan member's attained age, of future benefits less the present value at the plan member's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets. Under this method, the entry age used for each active plan member is the plan member's age at the time he or she would have commenced participation if the Police Plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the Police Plan.

Firefighters' Retirement System

Plan Description. The Firefighters' Retirement System (the "Firefighter Plan"), a single-employer defined benefit pension plan, was established pursuant to Ordinance No. [] and by Chapter 175, Florida Statutes. The Firefighter Plan is classified as a fiduciary trust fund of the City and is administered by a Board of Trustees, which is composed of five members (two legal residents appointed by the Commission; two full-time firefighters of the City elected by a majority of the firefighters who are active members of the Firefighter Plan; and one member who is chosen by a majority of the other board members and appointed by the Commission).

All firefighters of the City are eligible to become members of the Firefighter Plan. As of September 30, 2014, the Plan had 26 active participants, 23 inactive plan members and beneficiaries currently receiving benefits, and 2 inactive plan members entitled to but not yet receiving benefits. The total annual payroll for eligible employees covered by the Firefighter Plan was \$1,508,496.

A freeze on all accrued benefits was implemented as of December 31, 2012 except for plan members who have attained the earlier of age 55 or 25 years of credited service as of that

date, regardless of age. Such plan members will accrue benefits on the frozen portion in accordance with the Firefighter Plan provisions in effect prior to December 31, 2012, receiving 3.4% of their average final compensation times credited service. The normal retirement date for all plan members that had not completed 10 years of credited service by January 1, 2013 such that the normal retirement date is the earlier of attaining age 60 or the completion of 30 years of credited service regardless of age. These plan members will receive 1.25% of their average final compensation times credited service. The maximum combined benefit is 75% of average final compensation. If a plan member's accrued benefit as of January 1, 2013 is greater than or equal to 75% of average final compensation, the benefit percentage may not be reduced. For plan members with frozen benefits, early retirement is the earlier of age 50 and 10 years of credited service or the completion of 20 years credited service, regardless of age. The benefit amount is the accrued benefit reduced by 3% for each year commencement of benefits precedes the normal retirement date. There is no early retirement for plan members without frozen benefits. A member becomes 100% vested after attaining 10 years of credited service and is 0% vested prior to attaining 10 years of credited service. The plan members will receive the vested portion of their accrued benefits payable at the otherwise normal retirement date. Pre-freeze plan members will continue to use the 10% per year vesting schedule. Plan members are eligible for total and permanent disability benefits after 10 years of credited service (for non-service incurred) or from the date of hire (for service-incurred). The benefits are accrued to the date of disability but not less than 42% of average final compensation for service-incurred disability. Pre-retirement death benefits for vested individuals is equal to the value of accrued benefits payable on a monthly basis to the beneficiary for 10 years. For non-vested plan members, plan member contributions are refunded. Retirees receive a 3% per year COLA commencing 7 years after retirement on any frozen benefits. There is no COLA for plan members without frozen benefits. Plan members will not be able to enter the DROP effective January 1, 2013 except for plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the plan member can elect a rate of return equal to 7.5% annual rate or the actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2014 was \$373,289. Plan member contribution rates were lowered from 10.3% to 3% effective February 1, 2013 except for plan members who have attained age 55 or 25 years of credited service as of that date who will continue to make contributions at 10.3%.

[The Firefighter Plan is a governmental benefit plan and is tax exempt under the Internal Revenue Code.]

Funded Status and Funding Progress. The following is the funded status information for the Firefighters' Plan as of October 1, 2014, the most recent actuarial valuation date (in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
October 1, 2014	\$10,691,462	\$16,803,136	\$6,111,674	63.63%	\$1,508,496	405.15%

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

Annual Pension Costs and Net Pension Obligation. The City's annual pension cost and net pension obligation (the "NPO") to the Firefighters' Plan for the fiscal year ended September 30, 2014 are as follows:

Actuarially determined contribution (A)	\$672,243
Interest on NPO	(25,482)
Adjustment to (A)	21,249
Annual Pension Cost	\$668,010
Contributions made	672,243
Increase in NPO	(\$ 4,233)
NPO beginning of year	(328,798)
NPO end of year	(\$333,031)

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

The funded ratio, one measure of the Firefighters' Plan's financial health, is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. The funded ratio was 63.63% for the fiscal year ended September 30, 2014, compared to 61.30% for the prior year.

Three Year Trend Information

Fiscal Year Ending September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation⁽¹⁾
2012	\$581,097	112%	(\$154,774)
2013	668,138	126	(328,798)
2014	668,010	101	(333,031)

⁽¹⁾ Beginning October 1, 2012 this includes both City and State contributions.

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

Actuarial Assumptions and Actuarial Cost Method. The actuarial assumptions in effect for the 2014-2015 fiscal year included (a) 7.75% investment rate of return (compounded annually); (b) projected salary increases of 4.5% per year; and (c) 3% rate of inflation. The actuarial value of assets is determined by smoothing the differences between actual investment earnings and assumed investment return over four years. This method was adopted effective October 1, 2011. The resulting value would then be limited to between 80% and 120% of market value. The estimated required employer contribution for the 2015 fiscal year is \$632,678 (net of the estimated State contribution of \$39,565).

To determine the Firefighters' Plan's contribution requirements, the Entry Age Normal Cost Method was used.

General Employees' Retirement System

Plan Description. The City's General Employees' Retirement Plan (the "General Plan"), a single-employer defined benefit pension plan, was authorized in its present form by Ordinance No. [_____]. The General Plan is classified as a fiduciary trust fund of the City administered by the Board of Trustees of the General Employees' Retirement Plan, which is composed of five members (the City Manager; the Mayor; two regularly employed general employees of the City elected by a majority of the regularly employed general employees of the City; and one public member appointed by the Commission).

All City employees, other than regular members of the Police and Fire Departments, or full time management employees and certain appointed employees and elected officials of the City, are eligible to become a member of the General Plan. As of October 1, 2014, the General Plan had 20 active participants, 75 inactive plan members and beneficiaries currently receiving benefits, and 46 inactive plan members entitled to but not yet receiving benefits. The annual covered payroll for eligible employees covered by the General Plan was \$786,937.

A freeze on all accrued benefits was implemented as of September 30, 2012 except for plan members who have attained age 55 or 25 years of credited service as of that date, regardless of age. Such plan members will accrue benefits on the frozen portion in accordance with the General Plan provisions in effect prior to September 30, 2012, receiving 2.25% of their average final compensation times credited service. The normal retirement date for plan members hired before October 1, 2002 is the earlier of age 55 or the completion of 25 years of credited service, regardless of age. For individuals hired after October 1, 2002, normal retirement is the earlier of age 60 with 10 years of credited service or the completion of 30 years credited service, regardless of age, and will receive 1.00% of average final compensation time credited service earned on and after October 1, 2012. The maximum combined benefit is 75% of average final compensation. For plan members with frozen benefits, early retirement is age 50 and the completion of 10 years of credited service. The benefit amount is the accrued benefit reduced by 1/15th for each year that the commencement of payments precedes normal retirement. There is no early retirement for plan members without frozen benefits. A plan member becomes 10% vested after 1 year of credited service for frozen benefits and is 100% vested after attaining 10 years of credited service. Plan members without frozen benefits are 0% vested prior to attaining 10 years of credited service. A plan member will receive the vested portion of their accrued benefit payable at the otherwise normal retirement date or on a reduced basis beginning at early retirement. Plan members are eligible for total and permanent disability after 10 years of credited service. The benefit is accrued to the date of disability. Pre-retirement death benefits are equal to the value of the accrued benefit payable on a monthly basis to the designated beneficiary for 10 years. Retirees receive a 3% per year COLA on any frozen benefits after completing 10 years of retirement. There is no COLA for plan members without frozen benefits. Plan members will not be able to enter the DROP effective October 1, 2012 except for plan members who have attained age 55 or 25 years of credited service as of that date. Participation is not to exceed 60 months and the plan member can elect a rate of return equal to 7.5% annual rate or the actual net rate of investment return credited each fiscal quarter. The DROP balance as of September 30, 2014 was \$438,194. Plan member contribution rates were lowered from 7.6% to 3% effective

February 1, 2013 except for plan members who have attained age 55 or 25 years of credited service as of that date who will continue to make contributions at 7.6%.

[The General Plan is a governmental benefit plan and is tax exempt under the Internal Revenue Code.]

Funded Status and Funding Progress. The following is the funded status information for the General Plan as of October 1, 2014, the most recent actuarial valuation date (in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
October 1, 2014	\$11,422,059	\$16,636,397	\$5,214,338	68.66%	\$786,937	662.61%

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

Annual Pension Costs and Net Pension Obligation. The City's annual pension cost and net pension obligation (the "NPO") to the General Plan for the fiscal year ended September 30, 2014 are as follows:

Actuarially determined contribution (A)	\$548,356
Interest on NPO	(166)
Adjustment to (A)	172
Annual Pension Cost	\$548,362
Contributions made	557,646
Increase in NPO	(\$ 9,284)
NPO beginning of year	(2,138)
NPO end of year	(\$ 11,422)

Source: Actuarial Valuation Report as of October 1, 2014.

The funded ratio, one measure of the General Plan's financial health, is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. The funded ratio was 68.66% for the fiscal year ended September 30, 2014, compared to 66.39% for the prior year.

Three Year Trend Information

Fiscal Year Ending September 30	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2012	\$428,564	100.0%	\$0
2013	541,944	100.0	0
2014	552,241	100.0	0

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014

Actuarial Assumptions and Actuarial Cost Method. The actuarial assumptions in effect for the 2014-2015 fiscal year included (a) 7.75% investment rate of return (compounded annually); (b) projected salary increases of 5% per year; and (c) 3% rate of inflation. The actuarial value of assets is determined by smoothing the differences between actual investment earnings and assumed investment return over four years. This method was adopted effective October 1, 2011. The resulting value would then be limited to between 80% and 120% of market value. The estimated required employer contribution for the 2015 fiscal year is \$557,646.

To determine the General Plan's contribution requirements, the Entry Age Normal Cost Method was used.

Defined Contribution Plans

Plan Description. The City implemented a defined contribution - money purchase - retirement plan (the "Defined Contribution Plan") during fiscal year 2005. Eligible participants consist of the city manager, department directors and other managerial, administrative, professional and supervisory personnel that have opted out of the General Employees' Retirement System. All Defined Contribution Plan provisions, including benefits, eligibility and vesting, are established by the City Commission and can only be amended with Commission approval.

Funding Policy. Pursuant to the Defined Contribution Plan, the City contributes 12% of eligible wages pertaining to the city manager and department directors and 10% of eligible wages for all other personnel that elect to participate. The City's contributions for the years ended September 30, 2014, 2013 and 2012 were \$133,278, \$120,169 and \$112,071, respectively. The City contributed the required amount for each fiscal year.

Plan Description. The City implemented an additional defined contribution - money purchase - retirement plan (the "General & Special Risk Retirement Plan") effective October 1, 2012. Eligible participants consist of non-managerial general employees and firefighters that elect to participate in the General & Special Risk Retirement Plan. Participants that elect to participate in the General & Special Risk Retirement Plan are still required to participate in the Firefighters' Pension Plan or the General Pension Plan.

Funding Policy. The City makes a matching contribution to the General & Special Risk Retirement Plan as follows: general employees with less than 14 years of credited service as of

October 1, 2012 can contribute up to 5% of their earnings each year and the City will match 50% of the contribution percentage up to 2.5% of the employee's contribution; general employees with more than 14 years of credited service as of the effective date can contribute up to 5% of earnings and the City will match 75% of the contribution percentage up to 3.75% of the employee's contribution. Firefighters with less than 14 years of credited service as of October 1, 2012 can contribute up to 10% of their earnings each year and the City will match 50% of the contribution percentage up to 5% of the employee's contribution; Firefighters with more than 14 years of credited service as of the effective date can contribute up to 10% of earnings and the City will match 75% of the contribution percentage up to 7.5% of the employee's contribution. The City's matching contribution for September 30, 2014 was \$68,971. The City contributed the required amount for the year.

The Plans are administered by ICMA Retirement Corporation. The Plan provides retirement benefits to plan members and beneficiaries. ICMA Retirement Corporation issues financial statements and reports as well as required supplementary information regarding the Plan.

OPEB

Plan Description. The City provides a defined benefit postemployment health care, dental and life insurance plan, the Other Postemployment Benefits Program (the "OPEB Plan"), whereby retired employees are able to purchase health care, dental and life benefits through the City's health care, dental and life insurance providers. The OPEB Plan is administered by the City as a single-employer plan. The OPEB Plan is currently unfunded. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for the OPEB Plan. All approved benefits are paid from general assets when due. The OPEB Plan does not issue separate, stand-alone audited financial statements.

To be eligible to participate in the OPEB Plan, General employees must have been participating in the City's General Employee Pension Plan and have retired at age 60 with a minimum of 10 years of vesting service, or the completion of 30 years of service (earlier of 55 years old or 25 years of service if hired before October 1, 2002.). Firefighter employees are eligible to participate in the OPEB Plan if have been participating in the City's Firefighters' Pension Plan and they retire at the age of 60 with 10 years of service, or upon completion of 30 years of service. Police Officer employees are eligible to participate in the OPEB Plan if they have been participating in the City's Police Pension Plan and they retire at the age of 60 or above with 10 years of service, or the completion of 30 years of service (earlier of 55 or 25 years of service if hired before February 1, 2003.)

The retired employees (including their eligible dependents) that are eligible to participate in the OPEB Plan are required to pay 100% of their respective health care, dental and life insurance premiums.

The City's overall cost of providing health care, dental and life insurance benefits is increased as a result of an implicit insurance rate subsidy resulting from retired employees being permitted to pay lower than age-adjusted premiums through the use of blended premiums for both retirees and active employees. The resulting incremental increase in health care, dental and

life insurance premiums results in an actuarial accrued liability to the City based on projected health care, dental and life insurance costs.

Funding Policy. The annual required contribution to fund the incremental cost of the benefits plan is based on a pay-as-you go funding approach. The City's contributions for the year ended September 30, 2014 was \$2,030.

Annual Other Postemployment Benefit Cost (OPEB) and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." The ARC represents a level of funding that would be required to cover the normal cost of the plan each year on a pay-as-you-go basis assuming a 30 year amortization period. The following table shows the City's annual OPEB cost and the amount expected to be contributed by the City towards this OPEB obligation.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, termination, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision and actual results are compared with past expectations and new estimates made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities consistent with the long-term perspective of the calculations.

During the year ended September 30, 2013, the City changed the retirement age for all classes of employees from age 55 to 60 or the attainment of 30 years of credited service rather than the previous requirement of 25 years of credited service. The City also transferred the operation of the police department to the Pinellas County Sheriff's Department resulting in a reduction of the City's workforce of approximately 30%. As a result of changing the retirement age requirement and the reduction in the City's workforce, there was a significant decrease in the Other Postemployment Benefits obligation for fiscal year 2013. The reduction of the Net OPEB obligation was \$593,067.

	Pay-As-You-Go Funding Fiscal Year Ending September 30, 2014
Annual Required Contribution (ARC)	\$ 9,033
Interest on net OPEB obligation	244
Adjustment to Arc	-
Annual OPEB cost	\$ 9,277
Expected employer contribution	2,030
Increase in net OPEB obligation	\$ 7,247
Net OPEB obligation beginning of year	42,118
Net OPEB obligation end of year	\$49,365

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

Three Year Trend Information

Fiscal Year Ending September 30	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2012	\$246,164	22.7%	\$627,311
2013	9,033	20.5	42,118
2014	9,033	22.5	49,365

Source: Comprehensive Annual Financial Report For the Year Ended September 30, 2014.

Recent Accounting Changes

In June 2012, the Governmental Accounting Standards Board ("GASB") approved two Statements related to the accounting and financial reporting of pensions by state and local governments and pension plans. Statement No. 67, Financial Reporting for Pension Plans, addresses financial reporting for state and local government pension plans. Statement No. 68, Accounting and Financial Reporting for Pensions, establishes new accounting and financial reporting requirements for governments that provide their employees with pensions. Statement Nos. 67 and 68 are hereinafter referred to as the "Statements." The guidance contained in the Statements change how governments previously reported the costs and obligations associated with pensions. Statement No. 67 took effect for pension plans in fiscal years beginning after June 15, 2013 (that is, for years ended June 30, 2014 or later). Statement No. 68 took effect for employers and governmental nonemployer contributing entities in fiscal years beginning after June 15, 2014 (that is, for years ended June 30, 2015 or later).

Under the Statements, local governments are now required to report their net pension liability as a liability in their accrual-based financial statements. The pension plan's net position available for paying benefits is required to be measured using the same valuation methods that are used by the pension plan for purposes of preparing its financial statements, including measuring investments at fair value.

GASB believes that these changes will more clearly depict the government's financial position, in that reporting the net pension liability on the face of the financial statements will place the liability on an equal footing with other long-term obligations. According to GASB, while this information will, in some cases, give the appearance that a government is financially weaker than it was previously, the financial reality of the government's situation will not have changed.

The Statements also contain other changes in the method of accounting for and reporting pension plan financial information. The City does not expect these reporting changes to have a significant impact on its financial position.

State Law Reporting Requirements

Florida law mandates additional reporting requirements for local government pension plans. Section 112.664, Florida Statutes requires that each public pension plan, except the Florida Retirement System, submit the following information to the State Department of Management Services ("DMS"):

- (a) Annual financial statements in compliance with the Statements.
- (b) Annual financial statements which use an assumed rate of return on investments and an assumed discount rate that are equal to 200 basis points less than the plan's assumed rate of return;
- (c) Information indicating the number of months or years for which the current market value of assets are adequate to sustain the payment of expected retirement benefits as determined in the plan's latest valuation; and
- (d) Information indicating the recommended contributions to the plan based on the plan's latest actuarial valuation and the contributions necessary to fund the plan based on the financial statements using alternative actuarial assumptions, stated as an annual dollar value and a percentage of valuation payroll.

Section 112.664, Florida Statutes provides that any plan that fails to submit the required information to the DMS may be deemed to be in noncompliance, and in such event the State Department of Revenue and Department of Financial Services shall withhold any funds not pledged for satisfaction of bond debt service and which may be payable to the plan sponsor until the information is provided to DMS.

Section 112.66(14), Florida Statutes provides that the State is not liable for any obligation relating to any financial shortfalls in any local government retirement plan.

INVESTMENT POLICY

In accordance with the requirements of Section 218.415, Florida Statutes, the City adopted its own investment policy that also authorizes the City to invest in the following: (a) Florida Municipal Investment Trust Fund, Florida Surplus Asset Fund Trust and any other investment pool organized pursuant to Florida Statutes Sections 163.01 and 218.415;

(b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; c) Certificates, notes, bonds, or bills of the United States, or other obligations of the United States or its Agencies which are backed by the full faith and credit of the U. S. and include, but are not limited to: Government National Mortgage Association (GNMA), Farmers Home Administration, Small Business Administration (SBA), General Services Administration (GSA), Federal Housing Administration, and Housing and Urban Development (HUD); (d) Obligations of government-sponsored corporations (Instrumentalities) which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve (Instrumentalities are usually AAA rated, but have no explicit government guarantee) and include, but are not limited to: Federal National Mortgage Association (FNMA), Federal Farm Credit Banks, Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Student Loan Marketing Association, and Tennessee Valley Authority (TVA); (e) Collateralized Mortgage Obligations with very accurately defined maturities issued by Federal Agencies and their Instrumentalities that are rated AAA by a nationally recognized rating agency; (f) Non-negotiable Certificates of Deposit, which can be insured, collateralized at the Federal Reserve or qualify as State Public Deposits, as defined by Florida Statutes; (g) Taxable or Tax Exempt Government bonds, notes or other obligations of investment grade quality (as established by a nationally recognized rating agency), municipal corporation, special district, and authority or political subdivision thereof; (h) Repurchase Agreements with primary dealers or with the City's primary state qualified public depository that are evidenced by a Master Agreement to engage in this investment option and are fully collateralized by U. S. Government Obligations or any Agency or Instrumentality thereof (Reverse Repurchase Agreements are prohibited); and (i) Securities in, or other interests in, any open-ended or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided the portfolio is limited to obligations of the U. S. Government or any agency or instrumentality thereof (Mutual Funds).

The City's investment policy states that, to the extent possible, investment maturities and liquidity shall be matched to anticipated cash flow requirements and unless an investment is matched to a specific cash flow such as a reserve requirement or other longer-term investment horizon, investments shall not have a maturity date of more than five (5) years from the date of purchase.

A copy of the investment policy of the City can be obtained directly from the City. See "ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT" herein.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series 2015 Bonds are subject to an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, whose approving opinion (a form of which is attached hereto as "APPENDIX D - FORM OF OPINION OF BOND COUNSEL") will be available at the time of delivery of the Series 2015 Bonds. The actual legal opinion to be delivered by Bond Counsel may vary from that text if necessary to reflect facts and law on the date of delivery. Such opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or

otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date.

Bond Counsel has not been engaged to, nor has it undertaken to, review (a) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2015 Bonds; provided, however, that Bond Counsel will render an opinion to the Underwriters of the Series 2015 Bonds (upon which opinion only the Underwriters may rely) relating to the fairness of the presentation of certain statements contained herein under the heading "TAX EXEMPTION" and certain statements which summarize provisions of the Resolution, the Series 2015 Bonds, and federal tax law, and (b) the compliance with any federal or state law with regard to the sale or distribution of the Series 2015 Bonds.

Certain legal matters will be passed upon for the City by its counsel, Law Offices of Andrew Dickman P.A., Naples, Florida and Greenberg Traurig, P.A., Orlando, Florida, Disclosure Counsel. Certain legal matters will be passed on for the Underwriters by GrayRobinson, P.A., Tampa, Florida.

The legal opinions of Bond Counsel, Disclosure Counsel and the City Attorney are based on existing law, which is subject to change. Such legal opinions are further based on factual representations made to Bond Counsel, Disclosure Counsel and the City Attorney as of the date thereof. Bond Counsel, Disclosure Counsel and the City Attorney assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law, that may thereafter occur or become effective.

The legal opinions to be delivered concurrently with the delivery of the Series 2015 Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

LITIGATION

[CITY ATTORNEY TO CONFIRM]

There is no pending or, to the knowledge of the City, any threatened litigation against the City of any nature whatsoever which in any way questions or affects the validity of the Series 2015 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the adoption of the Resolution, or the pledged of the Pledged Funds in the manner and to the extent described herein and in the Resolution. Neither the creation, organization or existence, nor the title of the present members of the Commission, or other officers of the City is being contested.

The City experiences other claims, litigation, and various legal proceedings which individually are not expected to have a material adverse effect on the operations or financial condition of the City, but may, in the aggregate, have a material impact thereon. The City does

carry liability insurance, and is afforded the additional protection of sovereign immunity by Florida Statutes, Section 768.28, as amended. The City currently is not aware of any claims or litigation that it believes will have any material adverse consequences on the financial condition of the City.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the City except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Office of Financial Regulation within the Florida Financial Services Commission (the "FFSC"). Pursuant to administrative rulemaking, the FFSC has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the City, and certain additional financial information, unless the City believes in good faith that such information would not be considered material by a reasonable investor. The City is not and has not been in default on any bonds issued since December 31, 1975.

TAX EXEMPTION

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is included as "APPENDIX D - FORM OF OPINION OF BOND COUNSEL" attached hereto, the interest on the Series 2015 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not a specific item of tax preference under existing statutes, regulations, rulings and court decisions. However, interest on the Series 2015 Bonds is taken into account in determining adjusted current earnings for the purpose of computing the federal alternative minimum tax imposed on corporations pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). Failure by the City to comply subsequently to the issuance of the Series 2015 Bonds with certain requirements of the Code, regarding the use, expenditure and investment of Series 2015 Bonds proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2015 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The City has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2015 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2015 Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2015 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2015 Bonds to the Treasury of the United States. Noncompliance with such provisions

may result in interest on the Series 2015 Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2015 Bonds. Prospective purchasers of Series 2015 Bonds should be aware that the ownership of Series 2015 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2015 Bonds may result in collateral tax consequences to various types of corporations relating to (a) denial of interest deduction to purchase or carry such Series 2015 Bonds, (b) the branch profits tax, and (c) the inclusion of interest on the Series 2015 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2015 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2015 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2015 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2015 Bonds should consult their own tax advisors as to the income tax status of interest on the Series 2015 Bonds in their particular state or local jurisdictions.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2015 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2015 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2015 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2015 Bonds. For example, proposals have been discussed in connection with deficit spending reduction, job creation and other tax reform efforts that could significantly reduce the benefit of, or otherwise affect the exclusion from gross income of, interest on obligations such as the Series 2015 Bonds. The further introduction or enactment of one or more of such proposals could affect the market price or marketability of the Series 2015 Bonds.

Tax Treatment of Original Issue Discount

Bond Counsel is further of the opinion that the difference between the principal amount of the Series 2015 Bonds maturing on May 1 in the years [____], [____] through and including [____], and [____] (the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of Underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity was sold constitutes original issue discount which is excludable from gross income for federal income tax purposes to the same extent as interest on the Series 2015 Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Discount Bonds, even though there will not be a corresponding cash payment. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2015 Bonds maturing on May 1 in the years [____] through and including [____], [____], [____] and [____] (collectively, the "Premium Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of Underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond or, in the case of certain of the Premium Bonds that are callable prior to maturity, the amortization period and yield must be determined on the basis of the earliest call date that results in the lowest yield on such Bonds. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

RATINGS

Moody's and S&P have assigned ratings of ["____"] and ["____"], respectively, to the Series 2015 Bonds with the understanding that such rating will be based on the municipal bond insurance policy issued by the Insurer. See "MUNICIPAL BOND INSURANCE" herein. The Series 2015 Bonds will be assigned ratings of ["____"] and ["____"], by Moody's and S&P,

respectively, in each case without regard to a municipal bond insurance policy. The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies.

Generally, a rating agency bases its rating on information and materials and on investigations, studies and assumptions furnished to and obtained and made by the rating agency. The rating reflects only the view of said rating agency and an explanation of the rating may be obtained only from said rating agency. There can be no assurance that such rating will continue for any given period of time or will not be revised downward or withdrawn entirely by such rating agency, if in its judgment circumstances so warrant. Any such downward revision or withdrawal of the ratings of the Series 2015 Bonds may have an adverse effect on the market price of the Series 2015 Bonds. The City undertakes no responsibility to oppose any such revision or withdrawal. An explanation of the significance of the ratings can be received from the following: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York 10007 and Standard & Poor's Rating Services, 55 Water Street, New York, New York 10041.

FINANCIAL ADVISOR

The City has retained Larson Consulting Services, LLC, Orlando, Florida, as Financial Advisor (the "Financial Advisor") in connection with preparation of the City's plan of financing and with respect to the authorization and issuance of the Series 2015 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in the Official Statement. Larson Consulting Services, LLC is an independent SEC and MSRB registered financial advisory and consulting organization and is not engaged in the business of underwriting, marketing or trading of municipal securities or any other negotiable instruments.

AUDITED FINANCIAL STATEMENTS

The general purpose financial statements of the City as of September 30, 2014 and for the year then ended, attached hereto as "APPENDIX C - AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014," have been audited by [_____], independent auditors, as stated in their report appearing therein. Such statements speak only as of September 30, 2014. The consent of the City's auditor to include in this Official Statement the aforementioned report was not requested, and the general purpose financial statements of the City are provided only as publicly available documents. The auditor was not requested nor did they perform any procedures with respect to the preparation of this Official Statement or the information presented herein.

The Series 2015 Bonds are payable solely from Pledged Funds in the manner and to the extent as described in the Resolution and herein, and are not otherwise secured by, or payable from, the general revenues of the City. See "SECURITY FOR THE SERIES 2015 BONDS" herein. The general purpose financial statements are presented for general information purposes only.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2015 Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Resolution and the Series 2015 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2015 Bonds, including Bond Counsel's approving opinion, will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. See "APPENDIX B - FORM OF THE RESOLUTION" attached hereto for a description of events of default and remedies.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of the Series 2015 Bondholders to provide certain financial information and operating data relating to the City and the Series 2015 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events. The City has agreed to file annual financial information and operating data and the audited financial statements with each entity authorized and approved by the Securities and Exchange Commission to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule"). Effective July 1, 2009, the sole Repository is the Municipal Securities Rulemaking Board. The City has agreed to file notices of certain enumerated material events, when and if they occur, with the Repository.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX E - FORM OF CONTINUING DISCLOSURE AGREEMENT" attached hereto. The Continuing Disclosure Agreement shall be executed by the City and Digital Assurance Certification, L.L.C. prior to the issuance of the Series 2015 Bonds. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of the Rule. Digital Assurance Certification, L.L.C., serves as Dissemination Agent to the City.

With respect to the Series 2015 Bonds, no party other than the City is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule. In the previous five year period beginning _____ 1, 2010 and ending _____ 1, 2015 (the "Compliance Period"), the City has not failed, in any material respect, to comply with any continuing disclosure undertakings entered into pursuant to the Rule.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, on behalf of itself and RBC Capital Markets, Inc. (the "Underwriters") have agreed, subject to certain conditions precedent set forth in a

Purchase Contract with the City, to purchase the Series 2015 Bonds from the City, at a price of \$_____ (\$_____ par amount less an Underwriters' discount of \$_____ plus net original issue premium of \$_____). The Underwriters have furnished the information on the inside cover page of this Official Statement pertaining to the public offering prices of the Series 2015 Bonds. The public offering prices of the Series 2015 Bonds may be changed from time to time by the Underwriters, and the Underwriters may allow a concession from the public offering prices to certain dealers. None of the Series 2015 Bonds will be delivered by the City to the Underwriters unless all of the Series 2015 Bonds are so delivered.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the City (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the City. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

CONTINGENT FEES

The City has retained Bond Counsel, the Financial Advisor and Disclosure Counsel with respect to the authorization, sale, execution and delivery of the Series 2015 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriters (including the legal fees of Underwriters' Counsel) are each contingent upon the issuance of the Series 2015 Bonds. Certain other professional services are provided on a non-contingent basis.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts, and summaries of all documents, statutes, and information concerning the City and certain reports and statistical data referred to herein do not purport to be complete, comprehensive or definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2015 Bonds, the security for the payment of the Series 2015 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument. Copies of such documents may be obtained from either the office of the City Clerk, 155 Corey Avenue, St. Pete Beach, Florida 33706, or the City's Financial Advisor, Larson Consulting Services, 10151 University Blvd., #117, Orlando, Florida 32817, telephone (407) 496-1597.

The information contained in this Official Statement has been compiled from official and other sources deemed to be reliable, and is believed to be correct as of the date of the Official Statement, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriters. The Underwriters listed on the cover page hereof have reviewed the information in this Official Statement in accordance with and as part of their responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2015 Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

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AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the City. At the time of delivery of the Series 2015 Bonds, officials of the City will furnish a certificate to the effect that nothing has come to their attention which would lead them to believe that the Official Statement (other than information herein related to DTC, the book-entry only system of registration and the information contained under the caption "TAX EXEMPTION," as to which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2015 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

CITY OF ST. PETE BEACH, FLORIDA

By: _____
Maria Lowe, Mayor

APPENDIX A

GENERAL INFORMATION CONCERNING THE CITY

APPENDIX B

FORM OF THE RESOLUTION

APPENDIX C

AUDITED BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

APPENDIX D

FORM OF BOND COUNSEL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

by and between

CITY OF ST. PETE BEACH, FLORIDA

and

DIGITAL ASSURANCE CERTIFICATION, L.L.C.

relating to:

\$ _____

**CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2015**

Dated _____, 2015

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement") dated _____, 2015, is executed and delivered by the **CITY OF ST. PETE BEACH, FLORIDA**, a municipal corporation duly organized and existing under the laws of the State of Florida (the "City") and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, a limited liability company duly organized and existing under the laws of the State of Florida, and any successor dissemination agent serving hereunder pursuant to Section 11 hereof (the "Dissemination Agent" or "DAC").

RECITALS:

A. Contemporaneously with the execution and delivery of this Disclosure Agreement, the City authorized the issuance and delivery of those certain \$_____ in original aggregate principal amount of its Capital Improvement Revenue Bonds, Series 2015 (the "Bonds"). The Bonds are being issued pursuant to that certain Ordinance No. 2015-08 enacted by the Commission on May 12, 2015, and a resolution duly adopted by the Commission on May 12, 2015, as the same may be amended and supplemented (the "Resolution").

B. The City will issue the Bonds for the purpose of, among other things, (a) financing the cost of acquiring, constructing and equipping the Series 2015 Project, (b) establishing debt service reserves, if required or deemed necessary, (c) paying for any credit enhancement for the Bonds, and (d) paying costs of issuance of the Bonds.

C. The City has authorized the preparation and distribution of the Preliminary Official Statement dated _____, 2015 with respect to the Bonds (the "Preliminary Official Statement") and, on or before the date of the Preliminary Official Statement, the City deemed that the Preliminary Official Statement was final within the meaning of the Rule (as defined herein).

D. Upon the initial sale of the Bonds to the Participating Underwriter (as defined herein), the City authorized the preparation and distribution of the Official Statement dated _____, 2015 with respect to the Bonds (the "Official Statement").

E. As a condition precedent to the initial purchase of the Bonds by the Participating Underwriter in accordance with the Purchase Contract dated _____, 2015 by and between the Participating Underwriter and the City, and in compliance with the Participating Underwriter's obligations under the Rule, the City has agreed to undertake certain disclosure obligations of certain operating data or financial information for so long as this Disclosure Agreement is not terminated as set forth in Section 3(c) herein.

NOW THEREFORE, in consideration of the purchase of the Bonds by the Participating Underwriter and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the City and the Dissemination Agent do hereby certify and agree as follows:

Section 1. Incorporation of Recitals. The above recitals are true and correct and are incorporated into and made a part hereof.

Section 2. Definitions.

(a) For the purposes of this Disclosure Agreement, all capitalized terms used, but not otherwise defined herein shall have the meanings ascribed thereto in the Resolution and the Official Statement, as applicable.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Disclosure Agreement:

"Actual Knowledge" as used herein, and for the purposes hereof, a party shall be deemed to have "actual knowledge" of the occurrence of any event only if and to the extent the individual or individuals employed by such party and directly responsible for the administration of this Disclosure Agreement on behalf of such party have actual knowledge of or receive written notice of the occurrence of such event.

"Annual Filing" means any annual report provided by the City, pursuant to and as described in Sections 4 and 6 hereof.

"Annual Filing Date" means the date, set forth in Sections 4(a) and 4(d) hereof, by which the Annual Filing is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 6 hereof.

"Beneficial Owner" means any beneficial owner of the Bonds. Beneficial ownership is to be determined consistent with the definition thereof contained in Rule 13d-3 of the SEC, or, in the event such provisions do not adequately address the situation at hand (in the opinion of nationally recognized bond counsel), beneficial ownership is to be determined based upon ownership for federal income tax purposes.

"Disclosure Representative" means the Administrative Services Director of the City or his or her designee, or such other person as the City shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing Information to the Dissemination Agent.

"EMMA" shall mean the MSRB's Electronic Municipal Market Access System or any successor thereto.

"Filing" means, as applicable, any Annual Filing or Notice Event Filing or any other notice or report made public under this Disclosure Agreement.

"Fiscal Year" means the fiscal year of the City, which currently is the twelve month period beginning July 1 and ending on June 30 of the following year or any such other twelve month period designated by the City, from time to time, to be its fiscal year.

"Information" means the Annual Financial Information, the Notice Event Filings, and the Voluntary Reports.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Notice Event" shall have the meaning specified in Section 5(a) hereof.

"Notice Event Filing" shall have the meaning specified in Section 5(a) hereof.

"Obligated Person" means the City and any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). The City confirms that currently it is an Obligated Person with respect to the Bonds.

"Participating Underwriter" means, collectively, the original purchasers of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the only Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through its EMMA web portal at <http://emma.msrb.org>.

"Rule" means Rule 15c2-12 of the SEC promulgated pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Third-Party Beneficiary" shall have the meaning specified in Section 3(b) hereof.

"Voluntary Report" means the information provided to the Dissemination Agent by the City pursuant to Section 8 hereof.

Section 3. Scope of this Disclosure Agreement.

(a) The City has agreed to enter into this Disclosure Agreement, undertake the disclosure obligations hereunder and retain the Dissemination Agent to perform the disclosure dissemination tasks set forth herein on its behalf, all at the request of the Participating Underwriter and as a condition precedent to the Participating Underwriter's original purchase of the Bonds in order to assist the Participating Underwriter with compliance with the Rule. The disclosure obligations of the City under this Disclosure Agreement relate solely to the Bonds. Such disclosure obligations are not applicable to any other securities issued or to be issued by the City, nor to any other securities issued by or on behalf of the City.

(b) Neither this Disclosure Agreement, nor the performance by the City or the Dissemination Agent of their respective obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law,

including, without limitation, the Rule; provided, however, the Participating Underwriter and each Beneficial Owner are hereby made third-party beneficiaries hereof (collectively, and each respectively, a "Third-Party Beneficiary") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(c) This Disclosure Agreement shall terminate upon: (i) the defeasance, redemption or payment in full of all Bonds, in accordance with the Resolution as amended, or (ii) the delivery by the Disclosure Representative to the Dissemination Agent of an opinion of counsel expert in federal securities laws retained by the City to the effect that continuing disclosure is no longer required under the Rule as to the Bonds.

Section 4. Annual Filings.

(a) The City shall provide, annually, an electronic copy of the Annual Filing to the Dissemination Agent not later than two (2) business days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Filing, the Dissemination Agent shall provide the Annual Filing to the Repository, in an electronic format as prescribed by the MSRB, not later than May 31st of each Fiscal Year, commencing with the Fiscal Year ended September 30, 2015. Such date and each anniversary thereof is the Annual Filing Date. The Annual Filing may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 6 hereof.

(b) If on the second (2nd) business day prior to the Annual Filing Date, the Dissemination Agent has not received a copy of the Annual Filing, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by email) to remind the City of its undertaking to provide the Annual Filing pursuant to Section 4(a) hereof. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Filing no later than 6:00 p.m. on the Annual Filing Date (or if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter), or (ii) instruct the Dissemination Agent in writing as to the status of the Annual Filing within the time required under this Disclosure Agreement, and state the date by which the Annual Filing for such year is expected to be provided. If the Dissemination Agent has not received either (i) the Annual Filing by 6:00 p.m. on the Annual Filing Date, or (ii) notice from the City that it intends to deliver the Annual Filing to the Dissemination Agent by 11:59 p.m. on the Annual Filing Date, the City irrevocably directs the Dissemination Agent to immediately send a notice thereof to the Repository the following business day. Notwithstanding the foregoing, if the City fails to file the Annual Filing by 11:59 p.m. on the Annual Filing Date, the City directs the Dissemination Agent to immediately send a notice thereof to the Repository the following business day.

(c) The Dissemination Agent shall:

(i) upon receipt, promptly file each Annual Filing received under Section 4(a) hereof with the Repository;

(ii) upon receipt, promptly file the text of each disclosure to be made with the Repository together with a completed copy of the MSRB Event Notice Cover Sheet in the

form attached as Exhibit "B" or otherwise acceptable to the MSRB, describing the event by checking the box in said form when filing pursuant to the pertinent sections of this Disclosure Agreement; and

(iii) provide the City evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Dissemination Agent under this Disclosure Agreement.

(d) The City may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Dissemination Agent and the Repository, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(e) Each Annual Filing shall contain the information set forth in Section 6 hereof.

Section 5. Reporting of Notice Events.

(a) To the extent applicable, the occurrence of any of the following events with respect to the Bonds, shall constitute a Notice Event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax-exempt status of the Bonds;
- (vii) Modifications to rights of holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Obligated Person as described in the Notes to Paragraph (b)(5)(i)(C)(12) of the Rule;

(xiii) The consummation of a merger, consolidation, or acquisition involving the Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The City shall promptly notify the Dissemination Agent in writing upon having actual knowledge of the occurrence of a Notice Event (and, in all cases in sufficient time for the Dissemination Agent to file a notice of any such Notice Event not later than ten business days after the occurrence thereof as required under Section 5(c) below); provided, however, to the extent any such Notice Event has been previously and properly disclosed by or on behalf of the City, the City shall not be required to provide such additional notice of such Notice Event in accordance with this subsection. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to Section 5(c) hereof. Such notice shall be accompanied with the text of the disclosure that the City desires to make (each a "Notice Event Filing"), the written authorization of the City for the Dissemination Agent to disseminate such information, and the date the City desires for the Dissemination Agent to disseminate the information.

(b) The Dissemination Agent is under no obligation to notify the City or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will, within ten business days of receipt of such notice, instruct the Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made, or (ii) a Notice Event has occurred and the Dissemination Agent is to report the occurrence pursuant to Section 5(c) hereof, together with the text of the disclosure that the City desires to make, the written authorization of the City for the Dissemination Agent to disseminate such information, and the date the City desires for the Dissemination Agent to disseminate the information.

(c) If the Dissemination Agent has been instructed by the City as prescribed in subsection (a) or (b)(ii) of this Section 5 to report the occurrence of a Notice Event, the Dissemination Agent shall promptly file a notice of such occurrence with the Repository in an electronic format as prescribed by the Repository and in a timely manner not in excess of ten business days after the occurrence of the Notice Event.

Section 6. Content of Annual Filings. Each Annual Filing shall contain the following:

Operating data or financial information, consisting of updates of the following information contained in the Official Statement:

(a) The chart entitled "City of St. Pete Beach Historical Sales Tax Collections" under the heading "DESCRIPTION OF PLEDGED FUNDS - Sales Tax;"

(b) The chart entitled "City of St. Pete Beach, Florida Historical Franchise Fees Revenue Collections" under the heading "DESCRIPTION OF PLEDGED FUNDS - Franchise Fees Revenues;" and

(c) The chart entitled "City of St. Pete Beach, Florida Historical Public Service Tax Collections" under the heading "DESCRIPTION OF PLEDGED FUNDS - Public Service Tax."

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the City is an Obligated Person, which have been previously filed with the Repository or the SEC. If the document incorporated by reference is a final official statement, it must be available from the Repository. The City will clearly identify each such document so incorporated by reference.

Section 7. Responsibility for Content of Reports and Notices.

(a) The City shall be solely responsible for the content of each Filing (or any portion thereof) provided to the Dissemination Agent pursuant to this Disclosure Agreement. The Dissemination Agent shall not be responsible for reviewing or verifying the accuracy or completeness of any such Filings.

(b) Each Filing distributed by the Dissemination Agent pursuant to Section 4 or 5 hereof shall be in a form suitable for distributing publicly and shall contain the CUSIP numbers of the Bonds and shall be in substantially the form set forth in Exhibit "A" and Exhibit "B" attached hereto, as applicable. If an item of information contained in any Filing pursuant to this Disclosure Agreement would be misleading without additional information, the City shall include such additional information as a part of such Filing as may be necessary in order that the Filing will not be misleading in light of the circumstances in which made.

(c) Any report, notice or other filing to be made public pursuant to this Disclosure Agreement may consist of a single document or separate documents comprising a package and may incorporate by reference other clearly identified documents or specified portions thereof previously filed with the Repository or the SEC, provided that any final official statement incorporated by reference must be available from the Repository.

(d) Notwithstanding any provision herein to the contrary, nothing in this Disclosure Agreement shall be construed to require the City or the Dissemination Agent to interpret or provide an opinion concerning information made public pursuant to this Disclosure Agreement.

(e) Notwithstanding any provision herein to the contrary, the City shall not make public, or direct the Dissemination Agent to make public, information which is not permitted to be publicly disclosed under any applicable data confidentiality or privacy law or other legal requirement.

Section 8. Voluntary Reports.

(a) The City may instruct the Dissemination Agent to file information with the Repository, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information through the Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing, in addition to that required by this Disclosure Agreement. If the City chooses to include any information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing.

(c) Notwithstanding the foregoing provisions of this Section 8, the City is under no obligation to provide any Voluntary Report.

Section 9. Defaults; Remedies.

(a) A party shall be in default of its obligations hereunder if it fails or refuses to carry out or perform its obligations hereunder for a period of five business days following notice of default given in writing to such party by any other party hereto or by any Third Party Beneficiary hereof, unless such default is cured within such five business day notice period. An extension of such five business day cure period may be granted for good cause (in the reasonable judgment of the party granting the extension) by written notice from the party who gave the default notice.

(b) If a default occurs and continues beyond the cure period specified above, any nondefaulting party or any Third-Party Beneficiary may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default, excepting, however, that the party seeking such specific performance may recover from the defaulting party any reasonable attorneys' fees and expenses incurred in the course of enforcing this Disclosure Agreement as a consequence of such default. Each of the parties hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance shall be available in proceedings to enforce this Disclosure Agreement.

(c) Notwithstanding any provision of this Disclosure Agreement or the Resolution to the contrary, no default under this Disclosure Agreement shall constitute a default or event of default under the Resolution.

Section 10. Amendment or Modification.

(a) This Disclosure Agreement shall not be amended or modified except as provided in this Section. No modification, amendment, alteration or termination of all or any part of this Disclosure Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Resolution.

(b) Notwithstanding any other provision of this Disclosure Agreement, the City may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if: (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligor on the Bonds, or type of business conducted by such obligor; (ii) such

amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined either by an unqualified opinion of counsel expert in federal securities laws retained by the City or by the approving vote of the beneficial owners of the Bonds owning more than two-thirds in aggregate principal amount of the Bonds outstanding at the time of such amendment or waiver; and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws retained by the City, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, as well as any change in circumstances.

(c) If any provision of Section 6 hereof is amended or waived, the first Annual Filing containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

(d) If the provisions of this Disclosure Agreement specifying the accounting principles to be followed in preparing the City's financial statements are amended or waived, the Annual Filing for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the beneficial owners of the Bonds to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. The City will file a notice of the change in the accounting principles with the Repository on or before the effective date of any such amendment or waiver.

(e) Notwithstanding the foregoing, the Dissemination Agent shall not be obligated to agree to any amendment expanding its duties or obligations hereunder without its consent thereto.

(f) The City shall prepare or cause to be prepared a notice of any such amendment or modification and shall direct the Dissemination Agent to make such notice public in accordance with Section 8 hereof.

Section 11. Agency Relationship.

(a) The Dissemination Agent agrees to perform such duties, but only such duties, as are specifically set forth in this Disclosure Agreement, and no implied duties or obligations of any kind shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Dissemination Agent may conclusively rely, as to the truth, accuracy and completeness of the statements set forth therein, upon all notices, reports, certificates or other materials furnished to the Dissemination Agent pursuant to this Disclosure Agreement, and in the case of notices and reports required to be furnished to the Dissemination Agent pursuant to this Disclosure Agreement, the Dissemination Agent shall have no duty whatsoever to examine the same to determine whether they conform to the requirements of this Disclosure Agreement.

(b) The Dissemination Agent shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Dissemination Agent unless it shall be proven that the Dissemination Agent engaged in negligent conduct or willful misconduct in ascertaining the pertinent facts related thereto.

(c) The Dissemination Agent shall perform its rights and duties under this Disclosure Agreement using the same standard of care as a prudent person would exercise under the circumstances, and the Dissemination Agent shall not be liable for any action taken or failure to act in good faith under this Disclosure Agreement unless it shall be proven that the Dissemination Agent was negligent or engaged in willful misconduct.

(d) The Dissemination Agent may perform any of its duties hereunder by or through attorneys or agents selected by it with reasonable care, and shall be entitled to the advice of counsel concerning all matters arising hereunder, and may in all cases pay such reasonable compensation as it may deem proper to all such attorneys and agents. The Dissemination Agent shall be responsible for the acts or negligence of any such attorneys, agents or counsel.

(e) None of the provisions of this Disclosure Agreement or any notice or other document delivered in connection herewith shall require the Dissemination Agent to advance, expend or risk its own funds or otherwise incur financial liability in the performance of any of the Dissemination Agent's duties or rights under this Disclosure Agreement.

(f) The Dissemination Agent shall not be required to monitor the compliance of the City with the provisions of this Disclosure Agreement or to exercise any remedy, institute a suit or take any action of any kind without indemnification satisfactory to the Dissemination Agent.

(g) The Dissemination Agent may include in any dissemination correspondence enclosing or furnishing any Notice Event Filings made public by it under this Disclosure Agreement the following disclaimer with respect to the source of the information contained in, and the identity of the party responsible for compiling or preparing, such reports or notices: "The information set forth in the attached notice has been provided by the City of St. Pete Beach, Florida (the "City") to Digital Assurance Certification, L.L.C. in its capacity as disclosure dissemination agent (the "Dissemination Agent") for the City, together with written dissemination directions to the Dissemination Agent. The Dissemination Agent has not prepared or verified, and is not responsible in any way for, the content of this notice or the accuracy, timeliness or completeness thereof. Under no circumstances shall the Dissemination Agent or the City have any obligation or liability to any person or entity for (i) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstances involved in processing, collecting, compiling or interpreting the data included in this notice, or (ii) for any direct, indirect, special, consequential, incidental or punitive damages whatsoever arising from any investment decision or otherwise. This notice has not been reviewed or approved by any state or federal regulatory body."

(h) The Dissemination Agent may resign at any time by giving at least ninety (90) days prior written notice thereof to the City. The Dissemination Agent may be removed for good cause at any time by written notice to the Dissemination Agent from the City, provided that

such removal shall not become effective until a successor dissemination agent has been appointed by the City under this Disclosure Agreement.

(i) In the event the Dissemination Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Dissemination Agent for any reason, the City shall promptly appoint a successor. Notwithstanding any provision to the contrary in this Disclosure Agreement or elsewhere, the City may appoint itself to serve as Dissemination Agent hereunder.

(j) Any company or other legal entity into which the Dissemination Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Dissemination Agent may be a party or any company to whom the Dissemination Agent may sell or transfer all or substantially all of its agency business shall be the successor dissemination agent hereunder without the execution or filing of any paper or the performance of any further act and shall be authorized to perform all rights and duties imposed upon the Dissemination Agent by this Disclosure Agreement, anything herein to the contrary notwithstanding.

Section 12. Miscellaneous.

(a) Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Disclosure Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver and perform this Disclosure Agreement under applicable law and any resolutions, ordinances, or other actions of such party now in effect, (iii) that the execution and delivery of this Disclosure Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Disclosure Agreement, or its due authorization, execution and delivery of this Disclosure Agreement, or otherwise contesting or questioning the issuance of the Bonds.

(b) This Disclosure Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida and applicable federal law.

(c) If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) This Disclosure Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

Section 13. Identifying Information. All documents provided to the Repository pursuant to this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 14. Severability. In case any part of this Disclosure Agreement is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Agreement. This Disclosure Agreement shall be construed or enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application of this Disclosure Agreement affect any legal and valid application.

[SIGNATURE PAGES TO FOLLOW]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2015**

IN WITNESS WHEREOF, the City and the Dissemination Agent have each caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

CITY OF ST. PETE BEACH, FLORIDA, a
municipal corporation duly organized and existing
under the laws of the State of Florida

By:_____

Name:_____

Title:_____

Date:_____

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2015**

IN WITNESS WHEREOF, the City and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement to be effective as of the day and year so specified hereinabove.

**DIGITAL ASSURANCE CERTIFICATION,
L.L.C., as Dissemination Agent**

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

**NOTICE TO REPOSITORY OF THE OCCURRENCE OF
[INSERT THE NOTICE EVENT]**

Relating to

**\$ _____
CITY OF ST. PETE BEACH, FLORIDA
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2015**

**Originally Issued on _____, 2015
[**CUSIP NUMBERS**])**

Notice is hereby given by the City of St. Pete Beach, Florida (the "City"), as obligated person with respect to the above-referenced Bonds issued by the City, under the Securities and Exchange Commission's Rule 15c2-12, that **[**INSERT THE NOTICE EVENT**]** has occurred. **[**DESCRIBE NOTICE EVENT AND MATERIAL CIRCUMSTANCES RELATED THERETO**]**.

This Notice is based on the best information available to the City at the time of dissemination hereof and is not guaranteed by the City as to the accuracy or completeness of such information. The City will disseminate additional information concerning **[**NOTICE EVENT**]**, as and when such information becomes available to the City, to the extent that the dissemination of such information would be consistent with the requirements of Rule 15c2-12 and the City's obligation under that certain Continuing Disclosure Agreement dated as of _____ 1, 2015. **[**Any questions regarding this notice should be directed in writing only to the City. However, the City will not provide additional information or answer questions concerning [**NOTICE EVENT**] except in future written notices, if any, disseminated by the City in the same manner and to the same recipients as this Notice**]**.

DISCLAIMER: All information contained in this Notice has been obtained by the City from sources believed to be reliable as of the date hereof. Due to the possibility of human or mechanical error as well as other factors, however, such information is not guaranteed as to the accuracy, timeliness or completeness. Under no circumstances shall the City have any liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from or relating to this Notice, including, without limitation, any error (negligent or otherwise) or other circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any information contained in this Notice, or (b) any direct, indirect, special, consequential or incidental damages whatsoever related thereto.

Dated: _____

CITY OF ST.PETE BEACH, FLORIDA

By: _____
Name: _____
Title: _____

EXHIBIT B

CONTINUING DISCLOSURE EVENT NOTICE COVER SHEET

This cover sheet and continuing disclosure event notices should be sent, with all submissions made, to the Municipal Securities Rulemaking Board pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

City's and/or Other Obligated Person's Name: _____
City's Six-Digit CUSIP Number: _____ or Nine-Digit CUSIP
Number(s) of the certificates to which this material or other event notice relates: _____

Number of pages of attached continuing disclosure or other event notice: _____

Description of Continuing Disclosure Notice (Check One):

1. ___ Principal and interest payment delinquencies
2. ___ Non-payment related defaults
3. ___ Unscheduled draws on debt service reserves reflecting financial difficulties
4. ___ Unscheduled draws on credit enhancements reflecting financial difficulties
5. ___ Substitution of credit or liquidity providers, or their failure to perform
6. ___ Adverse tax opinion, the issuance by the Internal Revenue Service of proposed or
 final determinations of taxability, Notices of Proposed Issue (IRS
 Form 5701-TEB) or other material notices or determinations with respect to the
 tax status of the Bonds, or other material events affecting the tax-exempt status of
 the Bonds
8. ___ Modifications to rights of Bondholders
9. ___ Bond calls and tender offers
10. ___ Defeasances
11. ___ Release, substitution, or sale of property securing repayment of the Bonds
12. ___ Rating changes
13. ___ Bankruptcy, insolvency, receivership or similar event of the City
14. ___ The consummation of a merger, consolidation, or acquisition involving the City,
 or the sale of all or substantially all of the assets of the City, other than in the
 ordinary course of business, the entry into a definitive agreement to undertake
 such an action or the termination of a definitive agreement relating to any such
 actions, other than pursuant to its terms
15. ___ Appointment of a successor or additional trustee or the change of name of a
 trustee
16. ___ Other event (specify) _____

I hereby represent that I am authorized by the City or its agent to distribute this information publicly:

Signature: _____

Name: _____

Title: _____

Employer: Digital Assurance Certification, L.L.C.

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: _____

INSURANCE PROVISIONS

(A) If, on the third business day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Issuer, after making all transfers and deposits required under the Resolution, moneys sufficient to pay the principal of and interest on the Series 2015 Bonds due on such Payment Date, the Issuer shall give notice to Assured Guaranty Municipal Corp. (the "Insurer" or "Assured Guaranty") and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such business day. If, on the second business day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2015 Bonds due on such Payment Date, the Issuer shall notify the Paying Agent and cause the Paying Agent to make a claim under the Bond Insurance Policy for the Series 2015 Bonds (the "Series 2015 Bond Insurance Policy") and give notice to Assured Guaranty and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2015 Bonds and the amount required to pay principal of the Series 2015 Bonds, confirmed in writing to Assured Guaranty and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second business day by filling in the form of Notice of Claim and Certificate delivered with the Series 2015 Bond Insurance Policy.

(B) The Paying Agent shall designate any portion of payment of principal on Series 2015 Bonds paid by Assured Guaranty, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2015 Bonds registered to the then current Series 2015 Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2015 Bond to Assured Guaranty, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Paying Agent's failure to so designate any payment or issue any replacement Series 2015 Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Series 2015 Bond or the subrogation rights of Assured Guaranty.

(C) The Paying Agent shall keep a complete and accurate record of all funds deposited by Assured Guaranty into the hereinafter defined Policy Payments Account and the allocation of such funds to payment of interest on and principal of any Series 2015 Bond. Assured Guaranty shall have the right to inspect such records at reasonable times upon reasonable notice to the Paying Agent.

(D) Upon payment of a claim under the Series 2015 Bond Insurance Policy, the Paying Agent shall establish a separate special purpose trust account for the benefit of the Series 2015 Bondholders referred to herein as the "Policy Payments Account" and over which the Paying Agent shall have exclusive control and sole right of withdrawal. The

Paying Agent shall receive any amount paid under the Series 2015 Bond Insurance Policy in trust on behalf of the Series 2015 Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Paying Agent to Series 2015 Bondholders in the same manner as principal and interest payments are to be made with respect to the Series 2015 Bonds under the provisions of the Resolution regarding payment of Series 2015 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything to the contrary otherwise set forth herein, in the event amounts paid under the Series 2015 Bond Insurance Policy are applied to claims for payment of principal of or interest on the Series 2015 Bonds, the Issuer agrees to pay Assured Guaranty (i) a sum equal to the total of all amounts paid by Assured Guaranty under the Series 2015 Bond Insurance Policy (the "Insurer Advances"); and (ii) to the extent permitted by law, interest on such Insurer Advances from the date paid by Assured Guaranty until payment thereof in full, payable to Assured Guaranty at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (I) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (II) the then applicable highest rate of interest on the Series 2015 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Issuer hereby covenants and agrees that the Insurer Reimbursement Amounts are payable from the Pledged Funds to the same extent and on the same basis as the Series 2015 Bonds in the manner provided in the Resolution.

(E) Funds held in the Policy Payments Account shall not be invested by the Paying Agent and may not be applied to satisfy any costs, expenses or liabilities of the Paying Agent. Any funds remaining in the Policy Payments Account following a Series 2015 Bond Payment Date shall promptly be remitted to Assured Guaranty.

(F) No modification, amendment or supplement to the Resolution pursuant to the Resolution which requires the consent of any Series 2015 Bondholders or would otherwise impair the interests of Assured Guaranty may become effective except upon obtaining the prior written consent of Assured Guaranty.

(G) Assured Guaranty shall, to the extent it makes any payment of principal of or interest on the Series 2015 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Series 2015 Bond Insurance Policy. The obligations to Assured Guaranty shall survive discharge or termination of the Resolution.

(H) The Issuer shall pay or reimburse Assured Guaranty any and all charges, fees, costs and expenses which Assured Guaranty may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Resolution; (ii) the pursuit of any remedies under the Resolution or any other related document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Resolution or any other related document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Resolution or any other related document or the transactions contemplated thereby, other than amounts resulting from the failure of Assured Guaranty to honor its obligations under the Series 2015 Bond Insurance Policy. Assured Guaranty reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Resolution or any other related document.

(I) Assured Guaranty shall be entitled to pay principal or interest on the Series 2015 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Series 2015 Bond Insurance Policy), whether or not Assured Guaranty has received a Notice of Nonpayment (as such terms are defined in the Series 2015 Bond Insurance Policy) or a claim upon the Series 2015 Bond Insurance Policy.

(J) The notice address of Assured Guaranty is: Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director -- Public Finance - Surveillance; Re: Policy No. _____, Telephone: (212) 826-0100, Telecopier: (212) 339-3556, e-mail: munidisclosure@assuredguaranty.com. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of General Counsel at the same address or at the following Facsimile Number (212) 445-8705 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(K) Assured Guaranty shall be provided with the following information at no charge:

(i) Annual audited financial statements within 30 days after the completion of the Issuer's annual audit (and in any event within 270 days of the end of the Issuer's Fiscal Year) and the Issuer's annual budget and revised budget within 30 days after the approval thereof together with such other information, data or reports as Assured Guaranty shall reasonably request from time to time;

(ii) Notice of any draw upon the Reserve Account within two (2) business days after knowledge thereof other than (1) withdrawals of amounts in excess of the Reserve Account Requirement and (2) withdrawals in connection with a refunding of the Series 2015 Bonds.

(iii) Notice of any default known to the Paying Agent or the Issuer within five business days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Series 2015 Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Paying Agent and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Issuer commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2015 Bonds;

(viii) A full original transcript of all proceedings relating to any amendment, supplement, or waiver to the Resolution or any related documents;

(ix) All reports, notices and correspondence to be delivered under the terms of the Resolution or any related documents; and

(x) Such additional information as Assured Guaranty may reasonably require.

(L) Assured Guaranty is considered a third party beneficiary under the Resolution.

(M) The rights granted to Assured Guaranty under the Resolution or any related document to request, consent to or direct any action are rights granted to Assured Guaranty in consideration of its issuance of the Series 2015 Bond Insurance Policy. Any exercise by Assured Guaranty of such rights is merely an exercise of Assured Guaranty's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Series 2015 Bondholders nor does such action evidence any position of Assured Guaranty, positive or negative, as to whether the Series 2015 Bondholder consent is required in addition to consent of Assured Guaranty.

(N) Amounts paid by Assured Guaranty under the Series 2015 Bond Insurance Policy shall not be deemed paid for purposes of the Resolution and shall remain outstanding and continue to be due and owing until paid by the Issuer in accordance with the Resolution. The Resolution shall not be discharged unless all amounts due or to become due to Assured Guaranty have been paid in full or duly provided for.

(O) Assured Guaranty shall be deemed to be the sole holder of the Series 2015 Bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking of any other action that the holders of the Series 2015 Bonds insured by it are entitled to take pursuant to Article VI of the Resolution subject to the provisions thereof and the provisions of the Resolution pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Paying Agent or trustee, if any. In furtherance thereof and as a term of the Resolution and each Series 2015 Bond, the Paying Agent and each Series 2015 Bondholder appoint Assured Guaranty as their agent and attorney-in-fact and agree that Assured Guaranty may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (i) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (ii) the direction of any appeal of any order relating to any Claim, (iii) the posting of any surety, supersedeas or performance bond pending any such appeal, and (iv) the right to vote to accept or reject any plan of adjustment. In addition, the Paying Agent and each Series 2015 Bondholder delegate and assign to Assured Guaranty, to the fullest extent permitted by law, the rights of the Paying Agent and each Series 2015 Bondholder in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

(P) No contract shall be entered into by the Issuer nor any action taken by the Issuer by which the rights of Assured Guaranty or security for or sources of payment of the Series 2015 Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of Assured Guaranty.

(Q) Notwithstanding the provisions of Section 8.01 of the Resolution, to accomplish the defeasance of the Series 2015 Bonds, the Issuer shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to Assured Guaranty ("Accountant") verifying the sufficiency of the escrow established to pay the Series 2015 Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement (which shall be acceptable in form and substance to Assured Guaranty), and (iii) an opinion of nationally recognized bond counsel to the effect that the Series 2015 Bonds are no longer "outstanding" under the Resolution, each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer, the Paying Agent and Assured Guaranty. Assured Guaranty shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow. Series 2015 Bonds shall be deemed "outstanding" under the Resolution unless and until they are in fact paid and retired or the above criteria and the other criteria set forth in Section 8.01 are met.

(R) Notwithstanding satisfaction of other conditions to the issuance of Additional Bonds contained in the Resolution, no such issuance may occur if (i) any Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) has occurred and be continuing unless such default shall be cured upon such issuance, and (ii) unless the Reserve Account is fully funded at the Reserve Account Requirement (including the proposed issue) upon the issuance of such Additional Bonds, in either case, unless otherwise permitted by Assured Guaranty; provided, however, if the Issuer establishes a separate subaccount in the Reserve Account to secure a particular Series of Bonds, the Issuer may establish the Reserve Account Requirement for such Series of Bonds in accordance with the Resolution.

(S) In determining whether any amendment, consent or other action to be taken, or any failure to act, under the Resolution would adversely affect the security for the Series 2015 Bonds or the rights of the Series 2015 Bondholders, the Paying Agent and the Issuer shall consider the effect of any such amendment, consent, action or inaction as if there were no Series 2015 Bond Insurance Policy.

(T) Notwithstanding any provisions of the Resolution to the contrary, no interest rate exchange agreement relating to the Series 2015 Bonds shall be entered into by the Issuer without the prior written consent of Assured Guaranty.

(U) Notwithstanding any other provision herein, if Series 2015 Bonds are purchased in lieu of redemption the prior written approval of Assured Guaranty shall be required if any Series 2015 Bond so purchased is not to be cancelled upon purchase.

(V) The Issuer will permit Assured Guaranty to discuss the affairs, finances and accounts of the Issuer or any information Assured Guaranty may reasonably request regarding the security for the Series 2015 Bonds with appropriate officers of the Issuer and will use commercially reasonable efforts to enable Assured Guaranty to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

(W) The Issuer shall notify Assured Guaranty of any failure of the Issuer to provide notices, certificates and other information under the transaction documents.

(X) To the extent that the Issuer has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Series 2015 Bonds, all information furnished pursuant to such agreements shall also be provided to Assured Guaranty, simultaneously with the furnishing of such information.

(Y) No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of Assured Guaranty. No grace period shall be permitted for payment defaults.

(Z) The prior written consent of Assured Guaranty shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Reserve Account unless such credit instrument solely secures a single series of Bonds. Notwithstanding anything to the contrary set forth in the Resolution, amounts on deposit in the Reserve Account shall be applied solely to the payment of debt service due on the Bonds.

INSURANCE AGREEMENT

This INSURANCE AGREEMENT (the “Insurance Agreement”) is made and entered into as of the ____ day of _____, 2015 by and between the **CITY OF ST. PETE BEACH, FLORIDA** (the “Issuer”), a municipal corporation under the laws of the State of Florida, and **ASSURED GUARANTY MUNICIPAL CORP.**, a New York stock insurance company (“AGM”).

In consideration of the issuance by AGM of its Municipal Bond Debt Service Reserve Insurance Policy No. _____ (the “Reserve Policy”) with respect to the Issuer’s Capital Improvement Revenue Bonds, Series 2015 (the “Bonds”) issued pursuant to Resolution No. 2015-07, adopted by the Issuer on May 12, 2015 (referred to herein as the “Bond Resolution”), and the Issuer’s payment to AGM of the insurance premium for the Reserve Policy, AGM and the Issuer hereby covenant and agree as follows:

1. Upon any payment by AGM under the Reserve Policy, AGM shall furnish to the Issuer written instructions as to the manner in which payment of amounts owed to AGM as a result of such payment under the Reserve Policy shall be made.

2. The Issuer shall pay AGM the principal amount of any draws under the Reserve Policy and pay all related reasonable expenses incurred by AGM and shall pay interest thereon from the date of payment by AGM at the Late Payment Rate. “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such national bank as AGM shall designate. If the interest provisions of this Section 2 shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by AGM, with the same force and effect as if the Issuer had specifically designated such extra sums to be so applied and AGM had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed to or actual exaction as consideration for

the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

3. Repayment of draws and payment of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12th of the aggregate of Policy Costs related to such draw. Such payments shall be made after the payments required pursuant to Sections 4.05(A)(1), (A)(2) and (A)(3) of the Bond Resolution have been satisfied. Amounts in respect of Policy Costs paid to AGM shall be credited first to interest due, then to the expenses due and then to principal due.

4. As and to the extent that payments are made to AGM on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

5. All cash and investments in the 2015 Subaccount of the Reserve Account shall be transferred to the Debt Service Fund for payment of debt service on all outstanding Bonds secured by the 2015 Subaccount of the Reserve Account before any drawing may be made on the Reserve Policy or on any alternative credit instrument. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts; provided, however, that portion of the Policy Costs relating to accrued interest on draws under the Reserve Policy shall be payable after any such cash replenishment. Draws on all alternative credit instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to available coverage under each such alternative credit instrument) after applying available cash and investments in the 2015 Subaccount of the Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to alternative credit instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the 2015 Subaccount of the Reserve Account; provided, however, accrued interest on draws under such credit instruments shall be payable after any such cash replenishment. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

6. If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of this Agreement, AGM shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Bond Resolution, other than (i) acceleration of the maturity of the Bonds or (ii) remedies which would adversely affect owners of the Bonds.

7. The Bond Resolution shall not be discharged until all Policy Costs owing to AGM shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

8. In order to secure the Issuer's payment obligations with respect to the Policy Costs, the Issuer hereby grants a pledge of and lien on the Pledged Funds (subject only to priority of payment provisions set forth under the Bond Resolution).

9. Policy Costs due and owing shall be included in debt service requirements for purposes of calculation of the additional bonds test and the rate covenant in the Bond Resolution.

10. The Paying Agent shall ascertain the necessity for a claim upon the Reserve Policy and shall provide notice to AGM in accordance with the terms of the Reserve Policy at least one business day prior to each date upon which interest or principal is due on the Bonds. Where deposits are required to be made by the Issuer with the Paying Agent to the Debt Service Fund for the Bonds more often than semi-annually, the Paying Agent shall give notice to AGM of any failure of the Issuer to make timely payment in full of such deposits within two business days of the date due.

11. The Issuer will pay or reimburse AGM, solely from Pledged Funds, any and all charges, fees, costs, losses, liabilities and expenses which AGM may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Agreement or any document executed in connection with the Bonds (including the Bond Resolution, the "Related Documents"), including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Issuer) relating to this Agreement or any other Related Document, any party to this Agreement or any other Related Document or the transaction contemplated by the Related Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Agreement or any other Related Document, if any, or the pursuit of any remedies under any other Related Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Agreement, the Reserve Policy or any other Related Document whether or not executed or completed, or (v) any action taken by AGM to cure a default or termination or similar event (or to mitigate the effect thereof) under any Related Document; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of AGM spent in connection with the actions described in clauses (ii)-(v) above, and AGM reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Agreement or any other Related Document. Amounts

payable by the Issuer hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by AGM until the date AGM is paid in full.

12. The obligation of the Issuer to pay all amounts due under this Agreement shall be an absolute and unconditional obligation of the Issuer and will be paid or performed strictly in accordance with this Agreement, irrespective of (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the Bonds or any Related Document, or (ii) any amendment or other modification of, or waiver with respect to the Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the Bonds, this Agreement or any Related Documents; (iv) whether or not the Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from this Agreement, the Reserve Policy or all or any of the Related Documents; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Issuer may have at any time against the Registrar or any other person or entity other than AGM, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by AGM under the Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the Reserve Policy.

13. Notices to AGM shall be sent to the following address (or such other address as AGM may designate in writing): Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019 Attention: Risk Management Department - Public Finance Surveillance, Re: Policy No. _____.

14. If any one or more of the agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

15. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Bond Resolution. For all purposes of the Bond Resolution, the Reserve Policy shall constitute a "Reserve Account Insurance Policy" and this Agreement shall constitute an "Insurance Agreement."

16. This Agreement may be executed in counterparts, each of which alone and all of which together shall be deemed one original Agreement.

17. This Agreement and the rights and obligations of the parties of this Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Florida.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the following parties has caused this Agreement to be executed by its duly authorized officer as of the date set forth above.

CITY OF ST. PETE BEACH, FLORIDA

City Manager

**ASSURED GUARANTY MUNICIPAL
CORP.**

By:_____
Authorized Officer