

APPROVED
BY ORANGE COUNTY BOARD
OF COUNTY COMMISSIONERS

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RESOLUTION

of the

ORANGE COUNTY
BOARD OF COUNTY COMMISSIONERS

authorizing the redemption of
a portion of the outstanding

ORANGE COUNTY, FLORIDA
WATER UTILITIES SYSTEM REFUNDING REVENUE BONDS,
SERIES 1998

RESOLUTION NO. 2008-B-05

WHEREAS, Orange County, Florida (the "Issuer") previously issued its Water Utilities System Refunding Revenue Bonds, Series 1998 (the "Series 1998 Bonds") in an aggregate principal amount of \$50,675,000 on February 19, 1998, pursuant to Resolution 92-B-06 duly adopted on June 12, 1992, as supplemented by Resolution No. 92-B-07 duly adopted on June 12, 1992 and Resolution No. 92-B-08 duly adopted on June 23, 1992 (collectively, the "1992 Resolutions"), and as supplemented by Resolution No. 98-B-01 duly adopted on January 13, 1998 and Resolution No. 98-B-02 duly adopted on January 27, 1998 (collectively, the "1998 Resolutions," and together with the 1992 Resolutions the "Bond Resolutions"); and

WHEREAS, the Issuer issued the Series 1998 Bonds to finance the advance refunding of \$47,725,000 in principal amount of its Water Utilities System Revenue Bonds, Series 1992 (the "Series 1992 Bonds"), which were originally issued pursuant to the 1992 Resolutions in the aggregate principal amount of \$133,095,000; and

WHEREAS, the Series 1992 Bonds were issued for the purpose of (i) refunding all of the Issuer's outstanding Water and Wastewater Revenue Bonds, Series 1985 and Water and Wastewater Revenue Bonds, Series 1987 and (ii) financing the costs of additions, improvements and extensions to the Water Utilities System (the "Series 1992 Projects"); and

WHEREAS, the proceeds of the Series 1998 Bonds only refunded that portion of the principal amount of the Series 1992 Bonds allocable to financing the Series 1992 Projects; and

WHEREAS, the Issuer now desires to authorize and provide for the redemption of a portion of the Series 1998 Bonds on the first available date for early redemption under the 1998 Resolutions, which is October 1, 2008 (the "Redemption Date"), with Capital Charges (as such term is hereinafter defined), Reserve Revenues (as such term is hereinafter defined) and other available funds held under the Bond Resolutions; and

WHEREAS, the Issuer has accumulated significant amounts of wastewater capital charges (the "Capital Charges") and Water Utilities System reserve revenues (the "Reserve Revenues"); and

WHEREAS, the Issuer now desires to apply a portion of the accumulated Capital Charges and Reserve Revenues to reduce the outstanding indebtedness of the Water Utilities System by redeeming a portion of the Outstanding Series 1998 Bonds; and

WHEREAS, the use of Capital Charges for redeeming the Series 1998 Bonds is limited to the amount of Series 1992 Bond proceeds (and therefore the Series 1998 Bond proceeds) actually expended for the construction and acquisition of additions and extensions to the Issuer's wastewater system, plus interest thereon at the average rate borne by such bonds; and

WHEREAS, because the Series 1998 Bonds refunded the portion of the Series 1992 Bonds allocable to financing the Series 1992 Projects, the Water Utilities System staff and engineers reviewed and analyzed the Series 1992 Projects and determined that at least \$18,179,081.34 of the \$56,736,111.22, of the Series 1992 Bond proceeds allocated to the Series 1992 Projects qualified as the construction and acquisition of additions and extensions to the Issuer's wastewater system; and

WHEREAS, based on such review and analysis, and pursuant to the provisions of Section 37-308 of the Orange County Code, the Issuer may use Capital Charges in an amount not to exceed \$18,179,081.34 plus interest at the average rate borne by the Series 1998 Bonds (the "Capital Charge Maximum Amount") to redeem a portion of the Series 1998 Bonds on the Redemption Date;

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Orange County, Florida as follows:

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to the Constitution of the State of Florida, Chapters 125 and 166, Florida Statutes, the Charter of the Issuer, Section 37-308 of the Orange County Code, the Bond Resolutions and other applicable provisions of law.

SECTION 2. DEFINITIONS. All terms used herein in capitalized form that are defined in the Bond Resolutions shall have the same meanings as are ascribed to those terms in the Bond Resolutions, unless a different or additional meaning is given to those terms herein.

In addition to the definitions provided in the Bond Resolutions, as used herein, the following terms shall have the meaning indicated below unless the context clearly requires otherwise:

"County Administrator" means the County Administrator of the Issuer and in his absence, the Deputy County Administrator of the County, or such other officer or respective officers of the Issuer as may at the time be performing the duties assigned to the County Administrator.

"Mayor" means the County Mayor of the Issuer or in his absence, the Vice-Mayor of the Issuer, or such other officer of the Issuer as may at the time be performing the duties assigned to the Mayor.

SECTION 3. AUTHORIZATION OF REDEMPTION. The Issuer hereby authorizes the redemption of not to exceed \$21,000,000 principal amount of the Outstanding Series 1998 Bonds with accumulated Capital Charges, Reserve Revenues and other available funds held under the Bond Resolutions; provided, however, that the amount of Capital Charges applied to redeem Series 1998 Bonds shall not exceed the Capital Charge Maximum Amount and no more than \$3,000,000 of Reserve Revenues shall be applied to redeem such Series 1998 Bonds. The County Administrator shall determine which of the Series 1998 Bonds shall be redeemed on the Redemption Date based upon the advice of the Issuer's financial advisor.

SECTION 4. AUTHORIZATIONS. The Mayor, the County Comptroller, any Deputy County Comptroller of the Issuer and the County Administrator and such other officers and employees of the Issuer as may be designated by the Mayor, are each hereby designated as agents of the Issuer in connection with the redemption of a portion of the Series 1998 Bonds and are

authorized and empowered, collectively or individually, to take all action and steps and to execute all instruments, documents and contracts on behalf of the Issuer that are necessary or desirable in connection with the redemption of a portion of the Series 1998 Bonds, and which are specifically authorized by or are not inconsistent with, the terms and provisions of this Resolution and the Bond Resolutions and to cause all payments to be made for the acts and services required to carry out the interest and purpose of this Resolution within the powers of their officers.

SECTION 5. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

Approved and adopted by the Board of County Commissioners of Orange County, Florida, in open session this 8th day of July, 2008.

Board of County Commissioners of
Orange County, Florida

By: *Art DeLeon*
Mayor

ATTEST:

Martha O. Haynie
Orange County Comptroller

By: *Martha O. Haynie*
Ex-Officio Clerk
of the Board of County Commissioners

