

APPROVED  
BY ORANGE COUNTY BOARD  
OF COUNTY COMMISSIONERS

SEP 23 1997

CS/BS

RESOLUTION NO 97-B-08

APPROVING THE ISSUANCE OF  
ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY  
INDUSTRIAL DEVELOPMENT REVENUE BONDS  
(ELXSI CORPORATION PROJECT) SERIES 1997  
IN A PRINCIPAL AMOUNT OF  
NOT TO EXCEED \$3,000,000

WHEREAS, the Board of County Commissioners of Orange County declared a need for the Orange County Industrial Development Authority (the "Authority"), appointed its members and empowered it to act under the provisions of Chapter 159 Part III of the Florida Statutes; and,

WHEREAS, the Authority on September 16, 1997, following the public hearing (the "Public Hearing") required by the Internal Revenue Code of 1986, as amended (the "Code"), held pursuant to the Notice of Public Hearing (the "Notice") published in The Orlando Sentinel and attached hereto and incorporated herein as Exhibit "A", adopted the Resolution attached hereto and incorporated herein as Exhibit "B" (the "Authority's Bond Resolution") providing for the issuance of an aggregate principal amount of not to exceed \$3,000,000 of Orange County Industrial Development Authority Industrial Development Revenue Bonds (the "Bonds"), the proceeds of which would be loaned to ELXSI, a California corporation (the "Borrower") for the purpose of (i) financing the acquisition, renovation and equipping of a new manufacturing facility for the manufacture of video inspection and rehabilitation equipment for wastewater and drainage systems on real property located at 3600 Rio Vista Avenue, Orlando, Florida, (ii) financing the expansion of the Borrower's existing facility located at 3501 Vineland Road, Orlando, Florida, and (iii) paying the expenses incurred in connection with the issuance of the Bonds; and,

WHEREAS, the Board of County Commissioners of Orange County is the elected legislative body of Orange County and has jurisdiction over Orange County and Orange County has jurisdiction over the Project for purposes of Section 147(f) of the Code; and,

WHEREAS, the Board of County Commissioners of Orange County has been furnished with a copy of the Notice of the Authority's Meeting held on September 16, 1997 with respect to the approval of the Authority's Bond Resolution indicating that the Notice apprised residents of Orange County of the proposed issuance of the Bonds not less than 14 days before the Public Hearing and that the Public Hearing was conducted in a manner which provided a reasonable opportunity for persons with differing views on both the issuance of the Bonds and the location and nature of the Project to be heard and the Board has been advised that the only comments which were made at the Public Hearing were made by persons who were present on behalf of the Authority or the Borrower and who, in each case, spoke in favor of approval of the Bonds; and,

WHEREAS, the Board of County Commissioners has been requested by the Authority to consider and approve the Authority's issuance of the Note under the provisions of Section 125.01(1)(z) of the Florida Statutes, as amended, and Section 147(f) of Code.

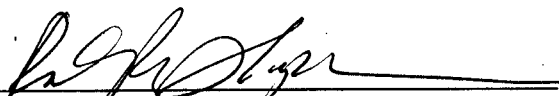
NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Orange County as follows:

1. Issuance of the Bonds by the Authority in an aggregate principal amount of not to exceed \$3,000,000 Orange County Industrial Development Authority Industrial Development Revenue Bonds (ELXSI Project), Series 1997, as contemplated by the Notice and the Authority's Bond Resolution is hereby approved.

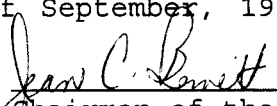
2. This approval is solely for the purposes of Section 147 (f) of the Code and Sections 125.01(z) and 159.47(1)(f), Florida Statutes, and shall not be construed as an approval of any zoning application or any regulatory permit required in connection with such project nor creating any vested rights with respect to any land use regulations, and this Board shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any authority or responsibilities it may have in that regard.

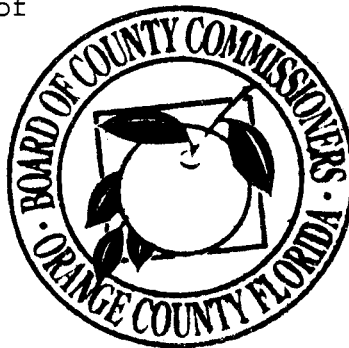
3. Nothing contained in this approval shall be deemed to create any obligation or obligations of Orange County, Florida or the Board of County Commissioners of Orange County.

ADOPTED as of this 13<sup>th</sup> day of September, 1997, and effective immediately upon its adoption.

  
Deputy Clerk of the Board of  
County Commissioners

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Chairman of the Board of  
County Commissioners



SEE ATTACHED LEGIBLE TEXT  
OF  
NOTICE OF PUBLIC HEARING

representative.  
The Authority will also convene and will open other business, including but not limited to, if necessary, approving the issuance of the bonds, as may properly come before the Authority at said hearing.  
Comments from a public hearing will be taken into consideration by the Authority and the Authority will not bind the legal action to be taken by the Authority.  
Persons are advised that if they desire to appeal any decision made at this hearing, they will need a record of the proceedings, and for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.  
COMPTROLLER, STATE OF FLORIDA

SERVICE CARRIERS  
COMMITTEE MEETING  
The Orange-John Underwood Association announces a meeting of its Service Carriers to be held on  
Monday, September 18,  
7:30 pm to 8:30 pm  
at the  
17th Meeting  
Orange-John Underwood Association  
17th Meeting  
to be held  
at 7:30 pm  
with  
at 8:30 pm

**NOTICE OF PUBLIC HEARING**  
**ORANGE COUNTY**  
**INDUSTRIAL DEVELOPMENT**  
**AUTHORITY**  
TO WHOM IT MAY CONCERN:  
For the purpose of Section 147  
(6) of the Internal Revenue Code  
of 1954, as amended, notice is  
hereby given that the Orange  
County Industrial Development  
Authority will hold a public hearing and hearing  
with respect to the anticipated  
issuance and sale by the  
Authority of up to \$1,000,000 in  
General Development Revenue  
bonds.  
The proceeds of such bond issue will be loaned to E. Lee  
Borowicz, to finance a new  
manufacturing facility for the  
manufacture of water treatment  
and rehabilitation equipment for  
waterworks and drainage systems  
located at 5800 No. Main  
Avenue, Orlando, Florida, and  
to finance improvements at the  
Borowicz's existing facility used  
for the same purpose and located  
at 5800 No. Main Avenue,  
Orlando, Florida. Both the new  
and existing facilities are  
owned by Mr. Borowicz and ap-  
proved by C.I.A., a division of the  
Borowicz.  
The bonds will not constitute a  
debt of the Authority or of the  
State of Florida, but will be pay-  
able solely from the revenues  
derived from the Borowicz.  
The public hearing will be con-  
ducted at the regular meeting of  
the Authority, to be held Sep-  
tember 18, 1967, at 2:00 pm in  
the Eda Park Center, Suite 600,  
300 Robinson Street, Orlando,  
Florida.  
The public hearing will be con-  
ducted in a manner that pro-  
vides a reasonable opportunity  
to be heard for persons with dif-  
ferent views of both the issue  
of the bonds and the pro-  
ject proposed to be financed.  
Any person desiring to be heard  
on this matter is requested to at-  
tend the public hearing or send

NOTICE OF PUBLIC HEARING  
ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

TO WHOM IT MAY CONCERN:

For the purpose of Section 147(f) of the Internal Revenue Code of 1986, as amended, notice is hereby given that the Orange County Industrial Development Authority (the "Authority") will hold a public meeting and hearing with respect to the contemplated issuance and sale by the Authority of up to \$3,000,000 Industrial Development Revenue Bonds.

The proceeds of such bond issue will be loaned to ELXSI (the "Borrower"), to finance a new manufacturing facility for the manufacture of video inspection and rehabilitation equipment for wastewater and drainage systems, located at 3600 Rio Vista Avenue, Orlando, Florida, and to finance improvements at the Borrower's existing facility used for the same purpose and located at 3501 Rio Vista Avenue, Orlando, Florida. Both the new and existing facilities will be owned by the Borrower and operated by Cues, a division of the Borrower.

The bonds will not constitute a debt of the Authority or of the State of Florida, but will be payable solely from the revenues derived from the Borrower.

The public hearing will be conducted at the regular meeting of the Authority, to be held September 16, 1997, at 2:00 p.m. in the Eola Park Center, Suite 600, 200 East Robinson Street, Orlando, Florida.

The public hearing will be conducted in a manner that provides a reasonable opportunity to be heard for person with different views of both the issuance of the bonds and the project proposed to be financed. Any person desiring to be heard on this matter is requested to attend the public hearing or send a representative.

The Authority will also consider and act upon other business, including, but not limited to, a resolution approving the issuance of the bonds, as may properly come before the Authority at said hearing.

Comments made at the hearing are for the consideration of the members of the Authority and will not bind any legal action to be taken by the Authority.

Persons are advised that, if they decide to appeal any decision made at this hearing, they will need a record of the proceedings, and, for such purpose, they may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Dated: September 1, 1997  
Orange County Industrial Development Authority  
By: Daniel A. Lynch  
Title: Secretary

RESOLUTION NO. R-97-05

A RESOLUTION OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, PROVIDING FOR THE ISSUANCE OF A SERIES OF ITS INDUSTRIAL DEVELOPMENT REVENUE BONDS TO FINANCE THE EXPANSION AND CONSTRUCTION OF A MANUFACTURING FACILITY; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SUCH BONDS; PROVIDING FOR THE PAYMENT THEREOF; AUTHORIZING EXECUTION AND DELIVERY OF A TRUST INDENTURE, LOAN AGREEMENT, MORTGAGE, SECURITY AGREEMENT AND BOND PURCHASE AGREEMENT RELATING THERETO; FIXING THE DATE, MATURITIES AND METHOD OF INTEREST RATE CALCULATION FOR THE BONDS; PROVIDING FOR THE NEGOTIATED SALE OF THE BONDS; DESIGNATING THE INITIAL TRUSTEE FOR THE BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE BONDS; PROVIDING FOR CONFLICTS; AND PROVIDING AN EFFECTIVE DATE.

**BE IT RESOLVED BY THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:**

**Section 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Chapter 159, Part II Florida Statutes, as amended and other applicable provisions of law (the "Act").

**Section 2. FINDINGS.** It is hereby ascertained, determined and declared as follows:

A. The Orange County Industrial Development Authority (the "Authority") is authorized by the Act to make and execute financing agreements, contracts, deeds and other instruments necessary or convenient for the purpose of facilitating the financing of the acquisition, construction and equipping of projects as defined in the Act, including machinery, equipment, land, rights in land and other appurtenances and facilities related thereto, to the end that the Authority may be able to

promote the economic growth of the Authority and the State of Florida, increase opportunities for gainful employment and otherwise contribute to the welfare of the Authority and the State of Florida and its inhabitants, and to finance or refinance the cost of such projects by the issuance of its revenue bonds.

B. The Authority, by resolution dated June 17, 1997, approved the execution of a Memorandum of Agreement with ELXSI Corporation, whereby the Authority agreed, subject to certain conditions and approvals, to issue its Industrial Development Revenue Bonds in an amount of up to \$3,000,000 (the "Bonds") and to loan the proceeds of such bonds to the ELXSI Corporation to finance the cost of (i) the acquisition, renovation and equipping of a manufacturing facility on real property located at 3600 Rio Vista Avenue, Orlando, Florida, (ii) the expansion of an existing manufacturing facility located at 3501 Vineland Road, Orlando (together, the "Project"), both within Orange County, Florida, and (iii) issuance of the Bonds.

C. ELXSI Corporation has requested that the Authority allow the borrower of the Bond proceeds to be changed from ELXSI Corporation to ELXSI, a California corporation and wholly owned subsidiary of ELXSI Corporation, on the condition that ELXSI Corporation guaranty payment by ELXSI (the "Borrower") of the Bonds, and the Authority has agreed to such substitution.

D. The principal of and interest on the Bonds and all payments required under the documents relating thereto shall be payable solely from the proceeds derived by the Authority from the moneys received pursuant to a Loan Agreement between the Authority and the Borrower (the "Loan Agreement"). The Authority shall never be required to (i) levy ad valorem taxes on any property within its territorial limits to pay the principal of an premium, if any, and interest on the Bonds or to make any other payments relating to the Bonds or the Project, or (ii) pay the same from

any funds of the Authority other than those derived by the Authority under the Loan; and such Bonds shall not constitute a lien upon any property owned by or situated within the territorial limits of the Authority except the Project.

E. The Authority held a public hearing with respect to the Bonds in accordance with the requirements of the Tax Equity and Fiscal Responsibility Act of 1984 on June 17, 1997, at which it provided an opportunity for comments from the public on the issuance of the Bonds and the financing of the Project. Due to the substitution of ELXSI for ELXSI Corporation as the Borrower, the Authority held a second public hearing on September 16, 1997 with respect to the Bonds in accordance with the requirements of the Tax Equity and Fiscal Responsibility Act of 1984 on the date hereof, prior to adoption of this resolution.

**Section 3. FINANCING OF THE PROJECT AUTHORIZED.** The financing of the cost of the Project in the manner provided in the Loan Agreement and the Indenture (hereinafter defined) is hereby authorized.

**Section 4. AUTHORIZATION OF BONDS.** Obligations of the Authority to be known as "Industrial Development Revenue Bonds (ELXSI Project), Series 1997" are hereby authorized to be issued in a principal amount of not exceeding Three Million Dollars (\$3,000,000), in the form and manner described in the Indenture. The Bonds will be dated such date and mature in such years and amounts, will contain such redemption provisions, and will bear interest at such rates (not exceeding the maximum interest rate permitted by the Act or by other applicable provision of law), as provided in the Trust Indenture between the Authority and SunTrust Bank, Central Florida, National Association (the "Indenture").

**Section 5. AUTHORIZATION OF EXECUTION AND DELIVERY OF INDENTURE.**

As security for the payment of the principal of and premium, if any, and interest on the Bonds, the Indenture, in substantially the form on file with the Secretary of the Authority as Exhibit "A", with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman and the Secretary or Assistant Secretary of the Authority, such approval to be presumed by their execution thereof, is hereby approved by the Authority, and the Authority hereby authorizes and directs the Chairman and Vice Chairman to execute, and the Secretary or Assistant Secretary to attest under the seal of the Authority, the Indenture and to deliver to the Trustee the Indenture, all of the provisions of which, when executed and delivered by the Authority as authorized herein and by the Trustee duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein. The Authority does hereby provide in the Indentures the terms, conditions, covenants, rights, obligations, duties and agreements of the Authority, the Borrower, and the Trustee to and for the benefit of the holders of the Bonds.

**Section 6. AUTHORIZATION OF EXECUTION AND DELIVERY OF LOAN AGREEMENT.** The Loan Agreement, in substantially the form on file with the Secretary of the Authority as Exhibit "B", with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman and the Secretary or Assistant Secretary of the Authority, such approval to be presumed by their execution thereof, is hereby approved by the Authority, and the Authority hereby authorizes and directs the Chairman or the Vice Chairman to execute, and the Secretary or Assistant Secretary to attest under the seal of the Authority, the Loan Agreement and to deliver to the Borrower the Loan Agreement, all of the provisions of which, when executed and delivered by



the Authority as authorized herein and by the Borrower duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

**Section 7. AUTHORIZATION OF EXECUTION AND DELIVERY OF MORTGAGE.**

The Mortgage and Security Agreement, in substantially the form on file with the Secretary of the Authority as Exhibit "C", with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman and the Secretary or Assistant Secretary of the Authority, such approval to be presumed by their execution thereof, is hereby approved by the Authority, and the Authority hereby authorizes and directs the Chairman or the Vice Chairman to execute, and the Secretary or Assistant Secretary to attest under the seal of the Authority, the Mortgage and Security Agreement, all of the provisions of which, when executed and delivered by the Authority as authorized herein and by the other parties thereto duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

**Section 8. AUTHORIZATION OF EXECUTION AND DELIVERY OF BOND PURCHASE AGREEMENT.** The Bond Purchase Agreement substantially the form on file with the Secretary of the Authority as Exhibit "D", with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman and the Secretary or Assistant Secretary of the Authority, such approval to be presumed by their execution thereof, is hereby approved by the Authority, and the Authority hereby authorizes and directs the Chairman or the Vice Chairman to execute, and the Secretary or Assistant Secretary to attest under the seal of the Authority, the Bond Purchase Agreement, all of the provisions of which, when executed and delivered by the Authority as authorized herein and by the other parties thereto duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

**Section 9. AUTHORIZATION OF EXECUTION AND DELIVERY OF SECURITY**

**AGREEMENT.** The Security Agreement substantially the form on file with the Secretary of the Authority as Exhibit "E", with such changes, alterations and corrections as may be approved by the Chairman or Vice Chairman and the Secretary or Assistant Secretary of the Authority, such approval to be presumed by their execution thereof, is hereby approved by the Authority, and the Authority hereby authorizes and directs the Chairman or the Vice Chairman to execute, and the Secretary or Assistant Secretary to attest under the seal of the Authority, the Security Agreement, all of the provisions of which, when executed and delivered by the Authority as authorized herein and by the other parties thereto duly authorized, shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

**Section 10. NEGOTIATED SALE NECESSARY.** It is hereby found, ascertained, determined and declared by the Authority that a negotiated sale of the Bonds is in the best interest of the Authority and is found to be necessary on the basis of the following reasons as to which specific findings are hereby made:

A. It is in the best interest of the Authority to have the Bonds placed with one institutional investors and not offered to the general public.

B. Industrial development revenue bonds are traditionally placed privately and consequently a competitive sale of the Bonds would in all probability not produce better terms than a negotiated sale.

C. The Bonds are payable solely from the proceeds of the Loan Agreement and, therefore, the Authority does not have a direct financial interest in the terms of sale.

**Section 11. AWARD OF BONDS.** The negotiated sale of the Bonds at a price equal to the principal amount thereof to Bank of America National Trust and Savings Association is hereby authorized pursuant to Section 218.385, Florida Statutes, as amended.

**Section 12. TRUSTEE.** SunTrust Bank, Central Florida, National Association, a national banking association having trust powers, is hereby designated Trustee for the Bonds.

**Section 13. EXECUTION OF BONDS AND AUTHORIZATION OF ALL OTHER NECESSARY ACTION.** The proper officers of the Authority are hereby authorized and directed to execute the Bonds, by manual or facsimile signature, when prepared and to deliver the same to the Trustee for authentication and delivery to the purchasers of the Bonds upon payment of the purchase price therefor. The Chairman, Vice Chairman, Secretary, Assistant Secretary, and Maguire, Voorhis & Wells, P.A., as the Authority's Counsel, are designated agents of the Authority in connection with the issuance and delivery of the Bonds, and are authorized and empowered, collectively or individually, to take all action and steps to execute and deliver any and all instruments, opinions, documents or contracts on behalf of the Authority which are necessary or desirable in connection with the execution and delivery of the Bonds and which are not inconsistent with the terms and provisions of this Resolution and other actions relating to the Bonds heretofore taken by the Authority.

**Section 14. NO PERSONAL LIABILITY.** No covenant, stipulation, obligation or Agreement herein contained or contained in the Loan Agreement, Indenture, Mortgage, Bond Purchase Agreement, Security Agreement or any other document executed and delivered in connection with the issuance of the Bonds (together, hereinafter referred to as the "Bond Documents") shall be deemed to be a covenant, stipulation, obligation or agreement of any officer,

member, agent or employee of the Authority or its governing body in his individual capacity, and neither the members of the Authority, the Authority nor any official executing the Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof.

**Section 15. NO THIRD PARTY BENEFICIARIES.** Except as herein or in the Bond Documents otherwise expressly provided, nothing in this Resolution or in the Bond Documents, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation other than the Authority, the Borrower, the holders of the Bonds, and the Trustee, any right, remedy or claim, legal or equitable, under and by reason of this instrument or any provision thereof or of the Bond Documents. This Resolution and the Bond Documents intended to be for the sole and exclusive benefit of the Authority, the Borrower, the Trustee, and the holders from time to time of the Bonds.

**Section 16. PREREQUISITES PERFORMED.** Except for the required approval of Orange County, Florida, all acts, conditions and things relating to the passage of this Resolution, to the issuance of the Bonds, and to the execution of the Bond Documents, required by the Constitution or laws of the State of Florida to happen, exist, and be performed precedent to and in the adoption hereof, and precedent to the issuance of the Bonds, and precedent to the execution and delivery of the Bond Documents, have happened, exist and have been performed as so required.

**Section 17. GENERAL AUTHORITY.** The members of the Authority and its officers, attorneys, engineers or other agents or employees are hereby authorized to do all acts and things required of them by this Resolution and the Bond Documents, or desirable or consistent with the

requirements thereof, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bonds, the Bond Documents and this Resolution.

**Section 18. SEVERABILITY OF INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions 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 or provisions and shall in no way affect the validity of any of the other provisions hereof.

**Section 19. REPEALING CLAUSE.** All resolutions of the Authority or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 20. EFFECTIVE DATE.** This Resolution shall become effective immediately upon its adaption.

The foregoing Resolution was offered by David Winters who moved its adoption. The motion was seconded by Martin Pragueand, upon being put to a vote, the vote was as follows:

Voting in Favor:	Martin Prague, David Winters and Joanie Schirm
Voting Against:	None
Absent:	Leon Noga and James Jennings
Abstain:	None

The Chairman then declared the Resolution to be duly passed and adopted.

**PASSED AND ADOPTED** this 16th day of September, 1997.

(SEAL)

Attest:

/s/ Daniel A. Lynch  
Secretary of the Orange County  
Industrial Development Authority

/s/ Joanie Schirm  
Chairman of the Orange County  
Industrial Development Authority