

## RESOLUTION LOG 2014

- 14-01 **Vacate** utility easement; 1720 Santa Barbara; App.# 13-6V (1/23/14)
- 14-02 Repeal Res. 00-46; reduce membership of MHP Committee (1/23/14)
- 14-03 Greenlight Pinellas (2/6/14)
- 14-04 Speed limit reduction on Michigan Blvd. & Pinehurst Rd. (4/3/14)
- 14-05 Budget Amendment (1/23/14)
- 14-06 Causeway Blvd. medians maintenance agreement replaced by letter (2/6/14)
- 14-07 **Adopt** & Establish Arts District & Incentives Policy (4/17/14)
- 14-08 FDOT street sweeping contract renewal (2/20/14)
- 14-09 Authorize CM to apply for FEMA fire prevention grant (3/6/14)
- 14-10 Authorize CM to apply for Walmart grant for bike/skateboard helmets (4/3/14)
- 14-11 Budget Amendment (4/17/14)
- 14-12 **Vacate** ROW & Easement; 1289 & 1293 Michigan Blvd.; 14-1V (6/5/14)
- 14-13 DOT District 7 Maintenance Agmt.; Skinner/Douglas (5/15/14)
- 14-14 Budget Amendment (6/5/14)
- 14-15 Preserve tax-exempt status of municipal bonds (6/19/14)
- 14-16 **Adopt** and establishing an Arts and Culture Policy (7/24/2014)
- 14-17 **Amend** the City of Dunedin Employees' flexible benefit plan and re-approve and reaffirm prior adoption of HRA (7/24/14)
- 14-18 Budget Amendment (7/24/14)

## RESOLUTION LOG 2014

- 14-19 Vacate** Utility Easement, 1626 Pasadena Dr. Lots 7 and 8; 14-2V. (8/7/14)
- 14-20** Enter coop. agm't with Pinellas County for Community Development Grant (7/24/14)
- 14-21 Adopt** Property Tax Millage (9/18/14)
- 14-22 Adopt** FY 14/15 Budget (9/18/14)
- 14-23 Adopt** Annual Floodplain Mgmt Plan (9/18/14)
- 14-24 Adopt** Property Tax Millage (9/25/14)
- 14-25 Adopt** FY 14/15 Budget (9/25/14)
- 14-26** Budget Amendment (9/25/14)
- 14-27** Authorize City Manager to apply for additional Grant funds from the Southwest Florida Water Management District (9/25/14)
- 14-28** Accept expansions of the Dunedin Fine Art Center (9/25/14)
- 14-29** FDOT highway beautification maintenance on Broadway S. of Washington St. (9/18/14)
- 14-30** Budget Amendment (10/23/14)
- 14-31** Request to Amend the Pinellas County Emergency Medical Services ALS First Responder Agreement (10/24/14)
- 14-32 NOT USED**
- 14-33** Request for approval to apply for a Firehouse Subs "No Match" grant (11/20/14)
- 14-34** Request for approval to apply for a "No Match" grant from the American Library Association (11/20/14)
- 14-35** Budget Amendment (11/20/14)

## RESOLUTION LOG 2014

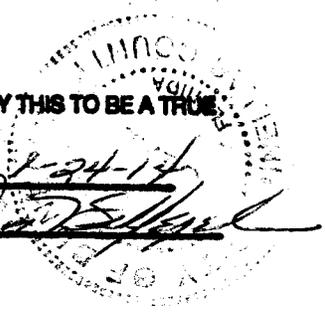
- 14-36** Supplemental resolution for Stormwater New Money (11/20/14)
- 14-37** Master Resolution for Sales Tax Refunding(11/20/14)
- 14-38** Supplemental Resolution for Sales Tax Refunding (11/20/2014)
- 14-39** Authorize City Manager to apply for funds from the Universal Service Administration Company (USAC) under the oversight of the Federal Communication Commission (FCC) for the purpose of applying for E-Rate Discounts for Public Internet Access at the Library (12/18/14)

KEN BURKE, CLERK OF COURT  
AND COMPTROLLER PINELLAS COUNTY, FL  
INST# 2014025041 01/29/2014 at 01:50 PM  
OFF REC BK: 18293 PG: 580-582  
DocType:GOV RECORDING: \$27.00

I DO HEREBY CERTIFY THIS TO BE A TRUE  
AND CORRECT COPY  
CERTIFIED THIS

DATE

CITY CLERK



**RESOLUTION 14-01**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, VACATING A 5' x 60' UTILITY EASEMENT LOCATED ALONG WESTERN PROPERTY LINE OF 1720 SANTA BARBARA DRIVE (PARCEL 22-28-15-23310-013-0260); AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**

**WHEREAS**, the owners of the property located at 1720 Santa Barbara Drive have requested that a 5' x 60' utility easement (approximately 300 square feet) along the western property line of their lot be vacated so that the owners may construct a pool deck and retaining wall not to exceed 12" above existing grade; and

**WHEREAS**, the City Commission finds and determines that the vacation of such easement is consistent with the Charter of the City of Dunedin and with the Comprehensive Plan of the City of Dunedin; and

**WHEREAS**, there is no public need for the 5' x 60' utility easement described on Exhibit "A" attached hereto, and Duke Energy, Bright House Networks, Clearwater Gas System, Verizon Florida, and WideOpenWest Finance, LLC (WOW) have made no objection to the vacation of said utility easement; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That it is found that there is no public need for the 5' x 60' utility easement described on Exhibit "A" attached hereto and the said easement is vacated. It is further found that there is no public referendum required pursuant to the City Charter.

**Section 2.** That the City Clerk is directed to record a certified copy of this resolution in the Public Records of Pinellas County, Florida, and send a certified copy thereof to the Property Appraiser of Pinellas County, Florida

3URT A 33 OT 2HIF YANCO NO 2011 001

**Section 3.** That this Resolution shall become effective upon its passage  
and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 23rd day of January, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

SECTION 22, TOWNSHIP 28 SOUTH, RANGE 15 EAST  
PINELLAS COUNTY, FLORIDA

DESCRIPTION:

Lot 26, Block 13 of A REPLAT OF A PART OF DUNEDIN ISLES NO. 1, according to the plat thereof as recorded in Plat Book 20, Page 34-37, of the public records of Pinellas County, Florida,

DESCRIPTION:

5' Utility Easement to be Vacated:

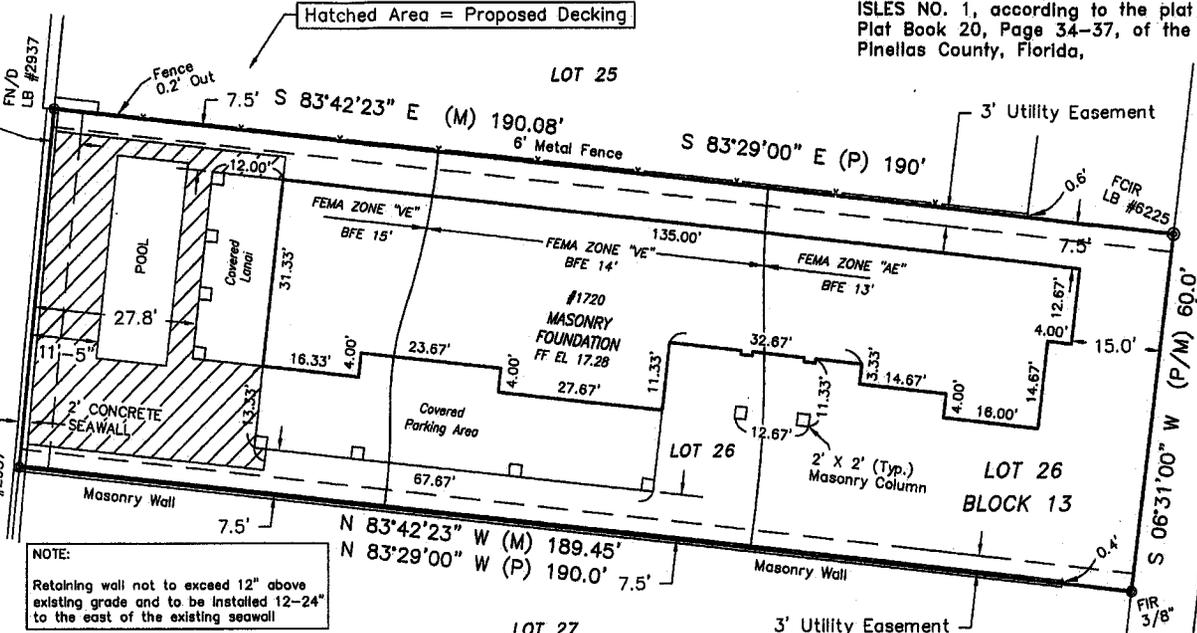
The Westerly 5 feet of Lot 26, Block 13 of A REPLAT OF A PART OF DUNEDIN ISLES NO. 1, according to the plat thereof as recorded in Plat Book 20, Page 34-37, of the public records of Pinellas County, Florida,

**Select Surveying, Inc.**  
Licensed Business Number 7318  
718 W MLK BLVD - SUITE 100-B  
Tampa, Florida 33603  
PH. (813) 258-3210

BOUNDARY SURVEY (FOUNDATION TIE-IN)  
1720 Santa Barbara Drive  
Dunedin, Florida 34698

REVISIONS:  
Pool, Easements added  
11-25-2013  
DRAWN BY: SLB  
SCALE: 1"=20'  
DATE: 8-13-2013  
PARTY CHIEF: PC  
FIELD BOOK: 1  
PAGE: 4  
DWG #: 1720 Santa Bar...  
JOB #: 13-0804

Note: All of the 5' Utility Easement is proposed to be vacated



NOTE:  
Retaining wall not to exceed 12" above existing grade and to be installed 12-24" to the east of the existing seawall

SURVEYOR'S NOTES:

- This is to certify that a survey has been made under my supervision of the property described hereon and that this drawing is a true and accurate representation thereof and that this survey meets or exceeds the minimum technical standards as set forth by the Florida Board of Professional Surveyors and Mappers in Chapter 61G17-6 of the Florida Administrative Code, pursuant to Chapter 472.027, Florida Statutes.
- Bearings are based on the Easterly Boundary of subject property bearing S06°31'00"W, a plat bearing.
- This survey was conducted for the purposes as stated hereon only, and is not intended to delineate the regulatory jurisdiction of any federal, state, regional or local agency, board, commission or other similar entity.
- This survey was conducted without the benefit of an abstract of title, therefore, there may be other easements, rights-of-way, setback lines, agreements, reservations, restrictions, or other similar matters of public record, not depicted on this survey.
- No underground utilities, underground encroachments, building foundations were observed as a part of this Survey, unless otherwise shown. Shrubs, if any, were not located.
- This survey not valid without the signature and the original raised seal of a Florida licensed Surveyor and Mapper.
- The property shown hereon falls within Flood Zone "VE & AE", per Federal Emergency Management Agency Flood Map No. 120114 0382 H, dated 8-28-08 (See Survey for Base Flood Elevation).
- Elevations shown hereon are based on NGS Benchmark San Jose L, Elevation 8.20, North American Vertical Datum of 1988.
- Bearings and distances are from the field unless noted otherwise.

LEGEND:  
FIR FOUND IRON ROD  
FCIR FOUND CAPPED IRON ROD  
FN/D FOUND NAIL AND DISK  
LB LICENSED BUSINESS  
(M) FIELD MEASURED DATA  
(P) PLAT DATA  
(P/C) DATA CALCULATED FROM PLAT  
FF EL FINISHED FLOOR ELEVATION  
BFE BASE FLOOD ELEVATION

Note: Easements per Official Records Book 433, Page 540, per a provided Survey by others (not verified at this time)

SAN JOSE DR.

CERTIFIED TO:

Jefferson Bank of Florida  
Sun Title Insurance Agency, Inc.  
Old Republic National Title Insurance Company  
Christopher Lynn Stewart and Andrea Lynn Stewart

Date Signed: 12-5-13  
Last Date of Field Survey: 8-8-12  
Patrick J. Collins  
Registered Land Surveyor and Mapper  
State of Florida No. 5523

App. No. 13-6 V

Resolution 14-01, Exhibit "A"

## RESOLUTION 14-02

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, REPEALING RESOLUTION 00-46, WHICH AMENDED SECTION 3 OF RESOLUTION 92-13 BY INCREASING THE MOBILE HOME PARK COMMITTEE MEMBERSHIP FROM SEVEN TO NINE; PROVIDING FOR READING BY TITLE ONLY; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.

**WHEREAS**, on November 21, 2013, the Commission noted there have been vacancies on the Mobile Home Park Committee for quite some time and suggested the committee discuss reducing its size; and

**WHEREAS**, the Chair of the Mobile Home Park Committee agreed to reduce the membership from nine to seven; and

**WHEREAS**, the City Commission of the City of Dunedin, Florida, deems it desirable to decrease the membership of the Mobile Home Park Committee from nine members to its original seven members; now therefore,

**BE IT RESOLVED BY THE COMMISSOIN OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That Resolution 00-46 is hereby repealed.

**Section 2.** That this Resolution shall be effective immediately upon its passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 23rd day of January, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-03**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, ENDORSING THE GREENLIGHT PINELLAS PLAN; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the public, business leaders, community leaders and local jurisdictions have been extensively engaged in the development of comprehensive transit and land use plans for the benefit of Pinellas County; and

**WHEREAS**, PSTA has also engaged transportation planning partners around the region in the discussion of future transit options including the Florida Department of Transportation (FDOT) Pinellas County Metropolitan Planning Organization (MPO), the Pinellas Planning Council (PPC) and the Tampa Bay Area Regional Transportation Authority (TBARTA) through the Advisory Committee for Pinellas Transportation (ACPT); and

**WHEREAS**, the public transportation service hours and frequencies provided today are inadequate to serve the population and work force of Pinellas County resulting in overcrowded buses and limiting future economic growth potential; and

**WHEREAS**, the Greenlight Pinellas Plan is designed to improve public transportation for all residents, businesses and visitors throughout Pinellas County; and

**WHEREAS**, the Greenlight Pinellas Plan includes:

- **(Bus)** The New Revenue Scenario Bus Plan as the foundation of a transformational bus system for the entire County providing for significant investment across the County including a focus on Core Rapid Transit services;

- **(Rail)** Future passenger rail service as described in the Pinellas Alternatives Analysis;
- **(Transit Supportive Land Use Concepts)** Support for local jurisdictions to develop policies and tools to encourage and advance transit supportive land use and development, using guidance provided by the Federal Transit Administration;
- **(Community Access)** Ways for the community to access the transit system by walking, biking and driving;
- **(Financial and Phasing)** A Financial Plan and Phasing Strategy to ensure the viability of the Plan's implementation that will include public-private partnership strategies; and
- **(Delivery)** A Delivery Plan that includes development and maintenance of a detailed website with project tracker, citizen oversight committees, and continuous public outreach; and

**WHEREAS**, the City of Dunedin is currently served by the North County Connector service, multiple local bus routes, DART paratransit, and the Jolley Trolley Coastal route; and

**WHEREAS**, these transit services support the tourism industry, Dunedin businesses, and residents by connecting Main Street with the beaches and residents to jobs, shopping, services, and recreational activities within the city, county, and region; and

**WHEREAS**, the Greenlight Pinellas Plan will significantly enhance transit services by improving local bus routes, the North County Connector, DART paratransit, and trolley routes with longer hours of service, greater frequency, and more weekend service; and

**WHEREAS**, the City Commission has reviewed and provided comments to the development of the Greenlight Pinellas Plan; and

**WHEREAS**, the Greenlight Pinellas Plan is recognized as a comprehensive and balanced countywide public transportation plan as coordinated with PSTA's Transit Development Plan, the MPO's Long Range Transportation Plan, the PPC's Countywide Plan and TBARTA's Regional Transportation Master Plan, as well as local jurisdiction planning processes; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** The City Commission endorses the Greenlight Pinellas Plan, including the Plan Elements (Bus, Rail, Transit Supportive Land Use Concepts and Community Access), Financial Plan, Phasing Strategy and Delivery Plan.

**Section 2.** The City Commission commits to encouraging public dialogue about the Greenlight Pinellas Plan.

**Section 3.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 6th day of February, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
Denise M. Schlegel  
City Clerk

## RESOLUTION 14-04

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, REDUCING THE SPEED LIMIT ON MICHIGAN BOULEVARD BETWEEN COUNTY ROAD 1 AND ALT. U.S. HWY. 19, AND PINEHURST ROAD BETWEEN MICHIGAN BOULEVARD AND MAIN STREET FROM 35 MILES PER HOUR TO 30 MILES PER HOUR; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the staff of the City of Dunedin has collected and reviewed traffic data for Michigan Boulevard and Pinehurst Road to determine if the speed limit should be reduced from 35 miles per hour to 30 miles per hour; and

**WHEREAS**, speed limits are based on the speed at which a normally prudent driver can perceive and react safely to driving problems encountered on the roadway; and

**WHEREAS**, the Florida Department of Transportation's *Speed Zoning for Highways, Road and Streets in Florida* criteria provide that a speed limit should not differ from the 85th percentile speed or upper limit of the 10 mile per hour pace; and

**WHEREAS**, the vehicle speed data collected on Michigan Boulevard between Alt. U.S. Hwy. 19 and County Road 1, and Pinehurst Road between Michigan Boulevard and Main Street provides that the speed limit could be decreased to 25 miles per hour; and

**WHEREAS**, in order to reduce the incremental impact on drivers, and to be consistent with other City collector roadways, City staff has recommended to reduce the speed limit to 30 miles per hour.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSOIN OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That the City Commission of the City of Dunedin, Florida hereby reduces the speed limit on Michigan Boulevard between County Road 1 and Alt. U.S. Hwy. 19, and Pinehurst Road between Michigan Boulevard and Main Street, from 35 miles per hour to 30 miles per hour.

**Section 2.** That the City Clerk is hereby directed to forward a copy of this Resolution to the Pinellas County Sheriff's Office.

**Section 3.** That this Resolution shall become effective immediately upon its passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 3rd day of April, 2014.**



Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-05**

**A RESOLUTION OF THE CITY OF DUNEDIN, FL, AMENDING THE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS**, the City Commission now desires to revise the FY 2014 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

This Budget Amendment Resolution provides for budget transfers between funds and projects, and for various adjusting entries, as follows:

1. Recognize a donation of \$20,000 from the School Board and appropriate \$5,000 of General Fund reserves for the Piping Director's salary, for a total increase to the Parks (Community Center) budget of \$25,000.
2. Recognize a donation of \$6,000 and appropriate \$6,000 of General Fund reserves for the Community Center Fountain, for a total increase to the Parks (Community Center) budget of \$12,000.
3. Recognize a Juvenile Welfare Board reimbursement grant of \$51,122 in the General Fund and increase the Recreation budget by the same amount for associated expenditures.
4. Recognize a Library E-rate grant of \$4,550 in the General Fund.
5. Appropriate \$4,980 of General Fund cemetery reserves for cemetery maintenance.
6. Appropriate \$11,480 of Stadium Fund reserves for the Englebert concession stand roof.
7. In the Penny Fund:
  - a. Remove the planned fire station debt service totaling \$109,728, as payments do not begin until FY 2015.
  - b. Recognize a \$175,000 reimbursement grant from the Florida Department of Transportation for the Skinner Boulevard Reconstruction project, and increase appropriations for the project by \$34,500.

- c. Appropriate \$54,500 of reserves for the South Douglas Streetscape project. These funds were budgeted and not spent in FY 2013 and should have been carried forward.
8. In the Water & Wastewater Fund, transfer \$200,000 from the Golfview Estates Sewer System project and \$50,000 from the DAFT Unit project, to the Scotsdale Sewer Main project (\$250,000 total project budget increase).
9. In the Marina Fund, transfer \$39,947 from the West Seawall Repairs project to the North, East, South Seawall Repairs project.
10. In the Stormwater Fund, carry forward \$3,152,742 from FY 2013 for the President Street Outfall project, and associated \$2,500,000 for planned FY 2013 revenue bonds.
11. In the Fleet Fund, remove the planned Solid Waste vehicle purchases totaling \$402,593 and associated debt proceeds of the same amount.
12. In the Facilities Maintenance Capital Fund:
  - a. Transfer the \$70,000 appropriation for the Fire Station 62 Generator to the correct account number.
  - b. Increase debt proceeds by \$60,000 and increase associated cost of issuance by \$60,000.
13. Reduce the Other Parking Improvements capital project by \$24,000 and appropriate \$24,000 for the Dunedin Station parking lot lease.
14. Necessary accounting entries to affect these changes are directed.
15. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 23rd day of January, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
Denise M. Schlegel  
City Clerk

\*\*\*BLUE SHEET\*\*\*

APPENDIX A

City of Dunedin, FL  
Proposed Budget Amendment FY2013 BA

BA 14-05  
1/21/2014

Fund/Account	Project Number	Debit	Credit
<b><u>GENERAL FUND-001</u></b>			
Piping Director Donations from School Board		\$ -	\$ 20,000
Piping Director Salary Increase		25,000	
Donation for Community Center Fountain			6,000
Fountain at Community Center		12,000	
JWB Promise Time Reimbursement Grant			51,122
JWB Promise Time Program Temporary Rec Leaders		35,640	
JWB Promise Time Program Temporary Rec Leaders		2,727	
JWB Promise Time Contractual Facilitator		12,755	
Library E-Rate Grant Revenue			4,550
Cemetery Repair & Maintenance	881301	4,980	
<b>Cemetery Funds (General Fund Balance)</b>			<b>4,980</b>
<b>General Fund Balance</b>			<b>6,450</b>
<i>Recognize grants and donation and associated expenses</i>		<u>\$ 93,102</u>	<u>\$ 93,102</u>
<b><u>STADIUM FUND-111</u></b>			
Englebert Roof (Concession Stand)	481305	11,480	
<b>Fund Balance</b>			<b>11,480</b>
<i>Increase Englebert Roof Project for concession stand</i>		<u>\$ 11,480</u>	<u>\$ 11,480</u>
<b><u>PENNY FUND-334</u></b>			
Proposed Fire Station Debt Interest Expense			48,800
Proposed Fire Station Debt Principal			60,928
FDOT Joint Participatin Grant	611305		175,000
Skinner Blvd Reconstruction	611305	34,500	
S Douglas Streetscaping	611201	54,500	
<b>Fund Balance</b>		<b>195,728</b>	
<i>Adjust budgeted amounts for fire station debt, recognize FDOT reimbursement grant and increase project expense</i>		<u>\$ 284,728</u>	<u>\$ 284,728</u>
<b><u>WATER &amp; WASTEWATER-441</u></b>			
Scotsdale Sewer Main	511307	250,000	
Golfview Estates Sewer System	521404		200,000
DAFT Unit	521403		50,000
<i>Transfer funds between projects</i>		<u>\$ 250,000</u>	<u>\$ 250,000</u>

**APPENDIX A**

**City of Dunedin, FL  
Proposed Budget Amendment FY2013 BA**

**BA 14-05  
1/21/2014**

<b>Fund/Account</b>	<b>Project Number</b>	<b>Debit</b>	<b>Credit</b>
<b><u>MARINA-442</u></b>			
Seawall Repairs (N, E, S)	490701	39,947	
Seawall Repairs (WEST)	491401		39,947
<i>Transfer funds between projects</i>		\$ 39,947	\$ 39,947
<b><u>STORMWATER-443</u></b>			
Stormwater Revenue Bonds			2,500,000
President Street Outfall	531301	3,152,742	
<b>Fund Balance</b>			<b>652,742</b>
<i>Carry Forward Items from FY 2013</i>		\$ 3,152,742	\$ 3,152,742
<b><u>FLEET FUND-550</u></b>			
Capital Lease Proceeds		402,593	
Solid Waste Vehicles			402,593
<i>Remove budget for purchase of Solid Waste vehicles and associated debt</i>		\$ 402,593	\$ 402,593
<b><u>FACILITIES MAINT CAP PROJECTS FUND-554</u></b>			
Generator-Fire Station 62	641404		70,000
Generator-Fire Station 62	641404	70,000	
Facilities (Fire Station) Debt Proceeds			60,000
Facilities (Fire Station) Debt Cost of Issuance	341401	60,000	
<i>To move budget to correct account number and adjust debt budgets</i>		\$ 130,000	\$ 130,000
<b><u>CRA-660</u></b>			
Dunedin Station Parking Lot Lease		24,000	
Other Parking Improvements	171209		24,000
<i>Reduce capital project and appropriate funds for parking lot lease</i>		\$ 24,000	\$ 24,000

		Increase	Decrease
Total Change to Fund Balance:	\$ (479,924)	\$ 195,728	\$ 675,652

**City of Dunedin, FL**  
**Summary of Budgeted Changes to Fund Balance in FY2014**  
**Projections at 01/16/2014**

Fund	Beginning Fund Balance				Ending FY2014
	Preliminary	Prior FY14	This	YTD	Projected Fund
	Fund Balance*	Budget Amendments	Amendment Change	Budgeted Changes	Balance Year End FY14
General	3,360,660	(125,523)	(11,430)	<b>(136,953)</b>	3,223,707
Stadium	230,790	(22,186)	(11,480)	<b>(33,666)</b>	197,124
Impact Fees**	189,270	(33,130)	-	<b>(33,130)</b>	156,140
Library Co-op	26,640	-	-	-	26,640
CRA	496,680	(130,576)	-	<b>(130,576)</b>	366,104
County Gas Tax	646,960	(70,105)	-	<b>(70,105)</b>	576,855
Parks & Rec Capital	162,690	(90,119)	-	<b>(90,119)</b>	72,571
Capital Improvement	163,770	(161,461)	-	<b>(161,461)</b>	2,309
Penny Fund	2,101,270	(1,262,699)	195,728	<b>(1,066,971)</b>	1,034,299
Solid Waste	336,520	-	-	-	336,520
Water/Wastewater	10,815,470	(1,726,124)	-	<b>(1,726,124)</b>	9,089,346
Water/WW Impact Fees	1,038,600	(422,142)	-	<b>(422,142)</b>	616,458
Marina	1,230,660	(424,554)	-	<b>(424,554)</b>	806,106
Stormwater	2,574,530	(622,336)	(652,742)	<b>(1,275,078)</b>	1,299,452
Fleet Services	2,809,620	(77,076)	-	<b>(77,076)</b>	2,732,544
Facilities Maintenance	2,074,000	(1,494,833)	-	<b>(1,494,833)</b>	579,167
Risk - Safety	3,900,640	-	-	-	3,900,640
Health & Benefits	97,410	-	-	-	97,410
Totals	\$ 32,256,180	\$ (6,662,862)	\$ (479,924)	\$ <b>(7,142,786)</b>	\$ 25,113,394

\*Projected Fund Balance is based on preliminary FY 2013 year-end information at 01/16/2014 and is not final.

\*\*Water/Wastewater Impact Fees are included separately

Note:

- Fund Balance for Enterprise and Internal Service funds is Working Capital.
- Funds not shown above include: Donation Fund, Stirling Golf, and G. Koutsourais Youth Fund

This resolution was approved 2/6/14 and forwarded to Pinellas County for signature. In the interim the County's procedures were changed and only a letter (rather than an agreement) is needed. Therefore, the agreement was never signed and the letter is attached.

## RESOLUTION 14-06

### A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN AUTHORIZING THE MAYOR TO SIGN AN AGREEMENT FOR LANDSCAPING WITH PINELLAS COUNTY; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, Pinellas County has created a median strip dividing the traffic lanes on the part of Causeway Boulevard from Gary Circle to Bayshore Boulevard (SR 595), with in the municipal boundaries of the City of Dunedin; and

**WHEREAS**, there is a need to improve the appearance of the said median strip to add to the general overall attractiveness of the City of Dunedin; now therefore,

**BE IT RESOLVED BY THE COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**SECTION 1:** That the City Commission approves the Agreement for Landscaping attached hereto as Exhibit "A" and made a part hereto by this reference

**SECTION 2:** That the Mayor is hereby authorized to sign this agreement on behalf of the City of Dunedin.

**SECTION 3:** That this Resolution shall be effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 6th day of February, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

**RESOLUTION 14-06**

**Exhibit "A"**

**AGREEMENT FOR LANDSCAPING**

This Agreement for Landscaping made and entered into this 6th day of February, 2014, by and between the CITY OF DUNEDIN, FLORIDA, a Florida municipal corporation, hereinafter called the "CITY", and PINELLAS COUNTY, a political subdivision of the State of Florida, hereinafter called the "COUNTY".

**WHEREAS**, the COUNTY has created a median strip dividing the traffic lanes on that part of Causeway Boulevard from Gary Circle to Bayshore Boulevard (SR 595), within the municipal boundaries of the CITY; and

**WHEREAS**, attractive landscaping of the said median strip with various flora will improve the appearance of the said median strip and add to the overall general attractiveness of the CITY.

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

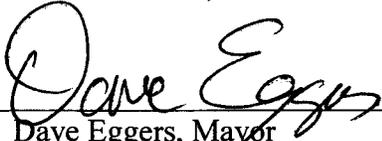
1. The CITY will install plantings within the median strip on the part of Causeway Boulevard from Gary Circle to Bayshore Boulevard (SR 595).
2. The CITY shall maintain such plantings at its own expense. Such maintenance shall consist of:
  - a. Watering and fertilizing of plants and keeping them as free as practical from disease and harmful insects.
  - b. Mulching of plant beds.
  - c. Keeping the landscaped areas free of unsightly weeds and litter.
  - d. Keeping neatly cut and trimmed.

- e. Pruning of plants to keep them free of dead leaves and branches and to prevent them from becoming a visual hazard to those using the roadway.
  - f. Removing or replacing dead and diseased plants and removing or replacing plants that fall below original project standards. All plants so removed shall be replaced by the CITY within a reasonable time with plants of the same general nature and of a size comparable to those existing at the time of replacement.
3. The landscaping covered by this Agreement may be removed, relocated, or adjusted at the CITY's expense as may be necessary to accommodate the widening of or other improvement of Causeway Boulevard . The COUNTY shall give the CITY at least thirty (30) days written notice of the proposed widening or other improvements in order to allow adequate preparation for such removal, relocation, or adjustment.
  4. This Agreement may be terminated by either party upon thirty (30) days written notice to the other party. The CITY shall at its own expense, remove all landscaping covered by this Agreement and to restore the median strip, as far as is practicable, to its condition immediately prior to the installation of such landscaping within five (5) days from the date of termination.
  5. This Agreement shall be binding upon the parties, their successors, assigns, and legal representatives. Neither party shall assign or otherwise transfer any of its rights or duties under this Agreement without the express prior written consent of the other party.
  6. This document embodies the whole Agreement of 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 agreements, whether written or verbal, between the parties hereto.

This Agreement may be modified only in writing executed by all parties.

**CITY OF DUNEDIN, FLORIDA**

By   
Dave Eggers, Mayor

**ATTEST:**

  
Denise M. Schlegel, City Clerk

**APPROVED AS TO FORM AND CONTENT**

  
Thomas J. Trask, B.C.S., City Attorney

**PINELLAS COUNTY, FLORIDA**

By \_\_\_\_\_  
Chairman, Board of County  
Commissioners

**ATTEST:**

\_\_\_\_\_  
Clerk

**APPROVED AS TO FORM AND CONTENT:**

\_\_\_\_\_  
County Attorney

# DUNEDIN

Home of Honeymoon Island

PARKS & RECREATION DIVISION  
P.O. BOX 1348  
DUNEDIN, FLORIDA 34697-1348  
(727) 298-3174

July 18, 2014

Patrick S. Fox  
Building Development Review Services  
Pinellas County  
440 Court Street  
Clearwater, FL 33756

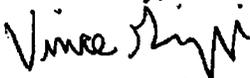
RE: Median Landscaping on Causeway Boulevard (CR-712) (14/28/15)  
Right-of-Way Utilization Permit #14-0095U

Dear Mr. Fox:

This letter acknowledges that the City of Dunedin is responsible for the maintenance associated with Right-of-Way Utilization Permit #14-0095U. Maintenance responsibility is for the landscaping of the medians dividing the traffic lanes on the part of Causeway Boulevard from Gary Circle to Bayshore Boulevard (SR 595), within the municipal boundaries of the City of Dunedin.

If you have any question, please contact me at (727) 812-4531 or [vgizzi@dunedinfl.net](mailto:vgizzi@dunedinfl.net).

Sincerely,



Vince Gizzi  
Parks & Recreation Director

✓ cc: Denise Schlegel, City Clerk

## **RESOLUTION 14-07**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, ADOPTING AND ESTABLISHING AN ARTS DISTRICT FOR THE CITY OF DUNEDIN AND AN INCENTIVES POLICY FOR SAID ARTS DISTRICT; AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission of the City of Dunedin desires to establish an incentives policy for the artists who live and work in the downtown area; and

**WHEREAS**, the City Commission, by establishing an incentives policy, desires to encourage the adaptive reuse of existing buildings and residential dwellings for artists to both live and work in the downtown area;

**WHEREAS**, the City Commission, by establishing an incentives policy, desires to encourage a mix of small scale, home business uses where artists may live, create work, and market their art, thereby promoting a venue for and encouraging further concentration of art, cultural and entertainment attractions in the downtown area; and

**WHEREAS**, the City Commission recognizes that the location of the Arts Overlay District consists of all buildings with frontages within the boundaries of Skinner Boulevard on the north, Loudon Avenue on the east, Main and Monroe Streets on the south, and the Pinellas Trail and Huntley Avenue on the west; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That the City Commission hereby adopts an Incentives Policy for the Arts District, on a case by case basis, to offer the following incentives:

1. Fire separation grant for residents only.
2. Façade grant.
3. No additional parking requirement for the work use.
4. Rebate of building permit fees for adaptive reuse.
5. 50 square feet of signing on the building, with no fee permit required.
6. Special outdoor displace events as approved by the City Commission.
7. Promotion on the City website.

**Section 2.** That for the purposes of determining if the Arts District incentives are applicable, the following definitions shall apply:

**Artist:** A person who practices art or creative work either written, composed, created or executed for a "one of a kind, limited production," exclusive of any piece or performance created or executed for industry oriented distribution or related production.

**Art use:** The production of art or creative work either written, composed, created or executed for a "one of a kind, limited" production exclusive of any piece or performance created or executed for industry oriented distribution or related production. Such use may include the fine and applied arts including painting or other like picture, traditional and fine crafts, sculpture, writing, creating film, creating animation, the composition of music, choreography and the performing arts.

**Art School & Studio:** A room or place for instruction or experimentation in one of the arts or artisan crafts, (including, but not limited to dance, photography, filmmaking, music, writing, painting, flame working, pottery, sculpturing, or printmaking).

**Artist and/or Creative Services Live/Work Units:** Commercial artist space used, or designed to be used, by artists or craftspeople, including those in the creative service sector, to create works of art or crafts, and which is also used by such artists or craftspeople to reside in. Such residency shall be limited to one (1) family per dwelling unit. Works of art or craft shall mean items that are created primarily for purposes of aesthetic enjoyment, and not solely for practical purpose, including but not necessarily limited to paintings, drawings, lithographs, and other representations; photographs, film, video, prints and other visual and electronic media; textiles and costumes; jewelry; pottery; art objects made of glass; precious and semi-precious metals, stones and the like; lighting used for artistic purposes; gallery and exhibit space; performance arts including dance, music and theater including lessons, practice, rehearsal and actual performances whether live audiences, taped or filmed, and writing.

**Creative Services:** Specialized industries rooted in professional creativity and wealth generation through the intellectual property of individual skill and talent. Examples include, but are not limited to, architectural, engineering, interior, or landscaping design, software and graphics design, advertising and public relations, electronic commerce businesses and film, video and multi-media.

**Live-Work Space:** A unit which combines personal living space, professional workspace and sales to the public in such a way that none is compromised.

**Section 3.** That the Incentives Policy for the Arts District shall apply to the location of all buildings with frontages within the boundaries of Skinner Boulevard on the north, Loudon Avenue on the east, Main and Monroe Streets on the south, and the Pinellas Trail and Huntley Avenue on the west. The location boundaries are more specifically detailed on the map attached hereto as Exhibit "A."

**Section 4.** That the City Manager shall have the authority to make minor changes or amendments to the Incentives Policy for the Arts District, as necessary.

**Section 5.** That this Resolution shall be effective immediately upon its passage and adoption.

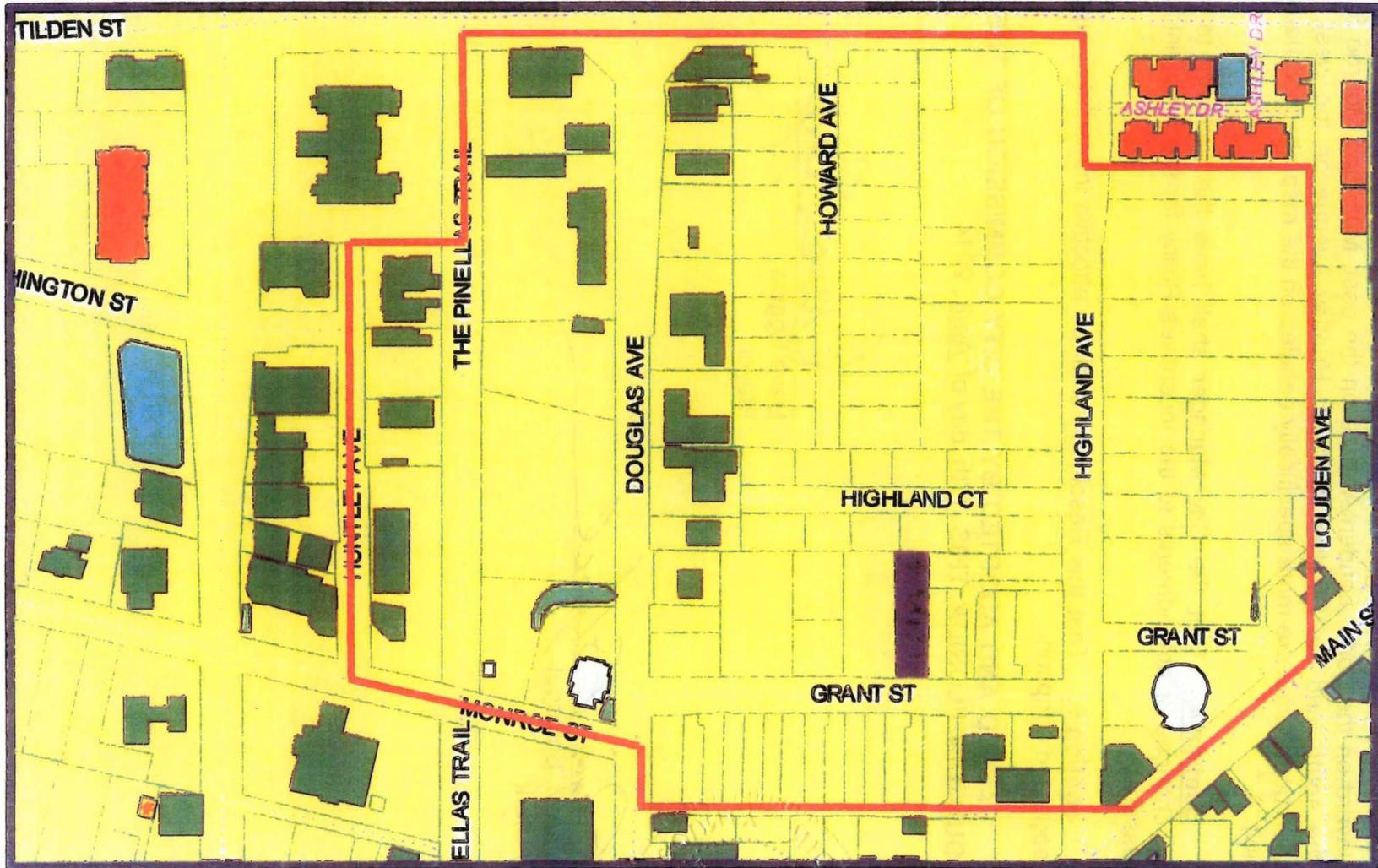
**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 17th day of April, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
Denise M. Schlegel  
City Clerk

Resolution 14-07  
Exhibit A



**RESOLUTION 14-08**

**A RESOLUTION AUTHORIZING THE CITY OF DUNEDIN TO EXECUTE A CONTRACT RENEWAL WITH THE STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION FOR MAINTENANCE OF CERTAIN HIGHWAY FACILITIES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, pursuant to Resolution 14-08 , the City of Dunedin authorized the appropriate City Officials to execute a Maintenance of Agreement between the City of Dunedin and the State of Florida, Department of Transportation to provide maintenance of highway facilities as further described in Exhibit "A" to this Resolution; and

**WHEREAS**, the City of Dunedin and the State of Florida, Department of Transportation both desire to renew that said contract pursuant to the contract renewal attached hereto as Exhibit "A" to provide for continuance to said agreement through March 26, 2015; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED THAT:**

Section 1. That the City Commission of the City of Dunedin hereby authorizes the appropriate City Officials to execute an agreement for that certain Maintenance Agreement between the City of Dunedin and the State of Florida, Department of Transportation in the form attached hereto as "Exhibit "A".

Section 2. This Resolution shall take effect immediately upon passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 20th day of February, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
Denise M. Schlegel  
City Clerk

**RECEIVED**  
FEB 27 2014  
PINELLAS MAINTENANCE

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
CONTRACT RENEWAL

375-020-23  
CONTRACTS ADMINISTRATION  
03C-0408

Contract No.: AQK92-R2 Renewal: (1st, 2nd, etc.) 2nd  
Financial Project No(s): 41815627206  
County(ies): Pinellas

This Agreement made and entered into this 6<sup>TH</sup> day of MARCH, 2014, by and between the State of Florida Department of Transportation, hereinafter called "Department", and City of Dunedin hereinafter called "Contractor".  
(This date to be entered by DOT only)

WITNESSETH:

WHEREAS, the Department and the Contractor heretofore on this \_\_\_\_\_ day of \_\_\_\_\_ entered into an Agreement whereby the Department retained the Contractor to perform Roadway Sweeping  
(This date to be entered by DOT only)

WHEREAS, said Agreement has a renewal option which provides for a renewal if mutually agreed to by both parties and subject to the same terms and conditions of the original Agreement;

NOW, THEREFORE, this Agreement witnesseth that for and in consideration of the mutual benefits to flow each to the other, the parties agree to a renewal of said original Agreement for a period beginning the 27<sup>th</sup> day of March, 2014 and ending the 26<sup>th</sup> day of March, 2015 at a cost of \$ 49,900.97

All terms and conditions of said original Agreement shall remain in force and effect for this renewal.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officers on the day, month, and year set forth above.

City of Dunedin Dave Eggers  
Name of Contractor

Dave Eggers, Mayor 2/20/14

Contractor Name and Title

BY: [Signature]  
Authorized Signature

Name of Surety (SEAL)

City \_\_\_\_\_ State \_\_\_\_\_  
By: [Signature]

Florida Licensed Insurance Agent or Date  
Attorney-In-Fact (Signature) Thomas J. Trask  
City Attorney

Countersigned: \_\_\_\_\_  
Florida Licensed Insurance Agent Date

STATE OF FLORIDA  
DEPARTMENT OF TRANSPORTATION

BY: [Signature]  
District Secretary or Designee (Signature)

Title: Director

Legal: [Signature]

Fiscal: [Signature]  
Approval as to Availability of Funds

RECEIVED

FEB 27 2014

PINELLAS MAINTENANCE

TO: MT710DK@dot.state.fl.us 14181435  
SUBJECT: FUNDS APPROVAL/REVIEWED FOR CONTRACT AQK92

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
FUNDS APPROVAL

Contract #AQK92 Contract Type: AK Method of Procurement: G  
Vendor Name: CITY OF DUNEDIN  
Vendor ID: VF596000310027  
Beginning date of this Agmt: 03/27/12  
Ending date of this Agmt: 03/26/15  
Contract Total/Budgetary Ceiling: ct = \$149,701.94

\*\*\*\*\*  
Description:  
roadway sweeping in Dunedin

\*\*\*\*\*  
ORG-CODE \*EO \*OBJECT \*AMOUNT \*FIN PROJECT \*PCT \*CFDA  
(FISCAL YEAR) \*BUDGET ENTITY \*CATEGORY/CAT YEAR  
AMENDMENT ID \*SEQ. \*USER ASSIGNED ID \*ENC LINE(6S)/STATUS  
\*\*\*\*\*

Action: RENEWAL Funds have been: APPROVED

55 074040710 \*OM \*244001 \* 49900.00 \*41615527205 \*543 \*  
2014 \*55150200 \*088712/14  
L002 \*00 \* 002 \*0003/04

-----  
TOTAL AMOUNT: \*\$ 49,900.00 \*  
-----

FUNDS APPROVED/REVIEWED FOR ROBIN M. NAITOVE, CPA, COMPTROLLER  
DATE: 02/19/2014

+ .97  
-----  
\$49,900.97 TOTAL

TO: MT710DK@dot.state.fl.us 10242145  
SUBJECT: FUNDS APPROVAL/REVIEWED FOR CONTRACT AQK92

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
FUNDS APPROVAL

Contract #AQK92 Contract Type: AK Method of Procurement: G  
Vendor Name: CITY OF DUNEDIN  
Vendor ID: VF596000310027  
Beginning date of this Agmt: 03/27/12  
Ending date of this Agmt: 03/26/15  
Contract Total/Budgetary Ceiling: ct = \$149,702.91

\*\*\*\*\*

Description:  
roadway sweeping in Dunedin

\*\*\*\*\*

ORG-CODE	*EO	*OBJECT	*AMOUNT	*FIN PROJECT	*FCT	*CFDA
(FISCAL YEAR)		*BUDGET ENTITY		*CATEGORY/CAT	YEAR	
AMENDMENT ID	*SEQ.	*USER ASSIGNED ID	*ENC LINE(68)	STATUS		

\*\*\*\*\*

Action: RENEWAL Funds have been: APPROVED

55 074040710	*OM	*244001	*	.97	*41615527205	*543	*
2014		*55150200			*088712/14		
L002		*01	* 002		*0004/04		

-----  
TOTAL AMOUNT: \*\$ .97 \*  
-----

FUNDS APPROVED/REVIEWED FOR ROBIN M. NAITOVE, CPA, COMPTROLLER  
DATE: 03/05/2014

## RESOLUTION 14-09

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, AUTHORIZING THE CITY MANAGER TO APPLY FOR A FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FIRE PREVENTION GRANT TO PURCHASE A LASER-DRIVEN FIRE EXTINGUISHER TRAINING SYSTEM; FINDING THAT A PUBLIC PURPOSE WILL BE SERVED BY APPLYING FOR SUCH GRANT; AND BY PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City staff is recommending that the City Commission give authorization to the City Manager to apply for a FEMA Fire Prevention Grant to purchase a Laser-Driven Fire Extinguisher Training; and

**WHEREAS**, the City Commission finds that applying for such grant funds will allow the Dunedin Fire Prevention Division, in conjunction with the Training Division to provide a Fire Extinguisher Safety Program to various businesses, daycares, City Departments and serves as a public purpose and will represent a benefit to the citizens; and

**WHEREAS**, the cost of the training tool is \$15,867.76 and the City's Match, if the grant is received will be \$793.39, which is 5%; now, therefore

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED THAT:**

**Section 1.** That the City Manager is hereby authorized to execute the application documents for a FEMA Fire Prevention Grant to purchase a Laser-Driven Fire Extinguisher Training.

**Section 2.** That the City Commission of the City of Dunedin finds that a public purpose is served by applying for the aforesaid grant and making the necessary expenditures and commitment to submit such application.

**Section 3.** That the City Manager is hereby authorized to accept the grant if it is awarded on substantially the terms and in the amount reflected in the application. In the event there is a material difference in the terms of the grant, or in the amount of the grant awarded to the City, acceptance of the grant will be by motion of the City Commission.

**Section 4.** That Resolution 14-09 shall take effect immediately upon passage and adoption.

PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 6th day of March, 2014.



Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-10**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, AUTHORIZING THE CITY MANAGER TO APPLY FOR A \$1,000 NO-MATCH COMMUNITY GRANT FROM THE WALMART FOUNDATION COMMUNITY GRANT PROGRAM TO PURCHASE BIKE AND SKATEBOARDING HELMETS FOR CHILDREN IN THE COMMUNITY THAT MAY NOT HAVE ONE, BY WORKING WITH THE SCHOOLS; FINDING THAT A PUBLIC PURPOSE WILL BE SERVED BY APPLYING FOR SUCH GRANT; AND BY PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, Walmart believes in operating globally and giving back locally – creating an impact in the neighborhoods where we live and work; and

**WHEREAS**, through the Walmart Foundation Community Grant Program, their associates are proud to support the needs of their communities by providing local grants to local organizations; and

**WHEREAS**, the City of Dunedin Fire Department has been participating in the Safe Kids Program in Pinellas County and one area they focus on is bike and skateboard safety; and

**WHEREAS**, the Fire Department was approached by the Store Manager of the Neighborhood Walmart Market on Main Street, offering assistance through their Walmart Community Grant Program; and

**WHEREAS**, the Fire Department is recommending that the City Commission give authorization to the City Manager to apply a \$1,000 No-Match Community Grant from the Walmart Foundation Community Grant Program to purchase bike and skateboarding helmets for children in the community that may not have one, by working with the schools; and

**WHEREAS**, the City Commission finds that applying for such grant funds will allow the Dunedin Fire Department, in conjunction with participating in the Safe Kids Program in Pinellas County serves a public purpose; now, therefore

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED THAT:**

**Section 1.** That the City Manager is hereby authorized to execute the application documents for a \$1,000 No-Match Community Grant from the Walmart Foundation Community Grant Program to purchase bike and skateboarding helmets for children in the community that may not have one.

**Section 2.** That the City Commission of the City of Dunedin finds that a public purpose is served by applying for the aforesaid grant and making the necessary expenditures and commitment to submit such application.

**Section 3.** That the City Manager is hereby authorized to accept the grant if it is awarded on substantially the terms and in the amount reflected in the application. In the event there is a material difference in the terms of the grant, or in the amount of the grant awarded to the City, acceptance of the grant will be by motion of the City Commission.

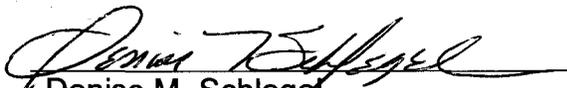
**Section 4.** That this Resolution shall take effect immediately upon passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 3rd day of April, 2014.**



Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-11**

**A RESOLUTION OF THE CITY OF DUNEDIN, FL, AMENDING THE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS**, the City Commission now desires to revise the FY 2014 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

This Budget Amendment Resolution provides for budget transfers between funds and projects, and for various adjusting entries, as follows:

1. Adjust electricity expense budgets of various City departments, resulting in the following net changes to fund balances: General Fund increase of \$77,307, Water/Wastewater increase of \$122,669, Marina increase of \$3,461, Stormwater increase of \$290, Vehicle Maintenance increase of \$573, and Facility Maintenance decrease of \$3,014. Total city-wide fund balance increase of \$201,286.
2. Appropriate \$52,492 of General Fund balance to adjust the Fire Department retirement budgets as follows: Fire Administration - \$22,361 increase, Fire Operations - \$37,677 increase, Fire EMS - \$7,546 decrease.
3. Transfer of \$66,270 between personnel line items within the General Fund.
4. Appropriate \$39,317 of General Fund balance for leave payouts of two employees retiring earlier than planned.
5. Appropriate \$1,232 of General Fund balance to increase the Parks custodial allocation budget.
6. In the Stadium Fund, increase the property taxes expense budget \$13,077, and increase the miscellaneous revenue budget \$13,233, resulting in a net decrease to fund balance of \$156.

7. Appropriate \$84,895 of County Gas Tax fund balance for the Michigan Boulevard bike and pedestrian trail project.
8. Appropriate \$35,485 of Penny Fund reserves, to include \$31,485 for the first year interest only payment on the new Fire Station 61 note, and \$4,000 to complete the Lyndhurst Streetscape project.
9. In the Solid Waste Fund:
  - a. Increase the fleet allocation expense line items by \$142,246, and reduce principal and interest expense by the same amount.
  - b. Appropriate \$23,295 of fund balance for the leave payout of one employee that is retiring earlier than planned.
  - c. Decrease the vehicle rentals and leases expenses by \$12,800.
  - d. Decrease the Commercial Refuse Containers project by \$25,000 and the City Dumpster Enclosures project by \$5,000.
10. In the Water & Wastewater Fund, transfer \$25,242 from the Aeration Basin project to the HVAC Replacement project, and correct account line items within the HVAC Replacement project.
11. In the Marina Fund, decrease the custodial allocation expense by \$5,234.
12. In the Stormwater Fund, appropriate \$14,498 of fund balance for a portion of leave payout for an aforementioned employee retiring early.
13. In the Fleet Fund, adjust the budgeted purchase amounts for various department vehicles and increase the Fleet Internal Service Charge revenue budget by \$142,246, resulting in a net increase to Fleet fund balance of \$176,502.
14. In the Facilities Maintenance Fund, appropriate \$14,937 of fund balance for a portion of leave payout for an aforementioned employee retiring early.
15. In the Facilities Maintenance Capital Projects Fund, reduce the Historical Museum Roof project by \$28,272, reduce the Roof Replacements project by \$57,900, reduce the Fire Station 62 Generator project by \$22,255, and increase the HVAC Replacement project by the sum of these reductions (\$108,427).
16. Necessary accounting entries to affect these changes are directed.
17. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 17th day of April, 2014.**



Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

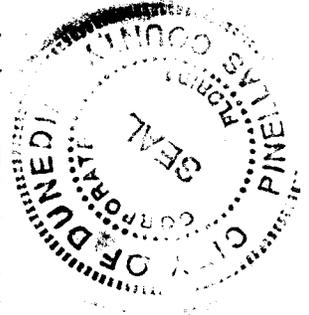
I DO HERE-BY CERTIFY THIS TO BE A TRUE  
AND CORRECT COPY  
CERTIFIED THIS

DATE 6-13-14

*Denise T. Saffel*  
CITY CLERK

## RESOLUTION 14-12

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, VACATING A 15' WIDE RIGHT-OF-WAY LOCATED ALONG THE EASTERN PROPERTY LINE OF LOT 21 OF PINELLAS GROVES SUBDIVISION; AND VACATING AN APPROXIMATE 15' X 318' UTILITY/DRAINAGE EASEMENT LOCATED ON THE SOUTH PORTION OF THE PROPERTY AT 1289 MICHIGAN BLVD. AND 1293 MICHIGAN BLVD. (PARCEL NUMBERS 23-28-15-70110-100-2100 AND 23-28-15-70110-100-2101); AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**



**WHEREAS**, the owner of the property located at 1289 Michigan Blvd. and 1293 Michigan Blvd. has requested that a 15' wide right-of-way located along the eastern property line of Lot 21 of Pinellas Groves Subdivision be vacated; and that an approximate 15' x 318' utility/drainage easement located on the south portion of the property be vacated; and

**WHEREAS**, the City Commission finds and determines that the vacation of such right-of-way and easement are consistent with the Charter of the City of Dunedin and with the Comprehensive Plan of the City of Dunedin; and

**WHEREAS**, there is no public need for the 15' wide right-of-way located along the eastern property line of Lot 21 of Pinellas Groves Subdivision, or the approximate 15' x 318' utility/drainage easement located on the south portion of the property, as described on Exhibit "A" attached hereto, and Duke Energy, Bright House Networks, Clearwater Gas System, Verizon Florida, and WideOpenWest Finance, LLC (WOW) have made no objection to the vacation of said right-of-way and easements; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That it is found that there is no public need for the 15' wide right-of-way located along the eastern property line of Lot 21 of Pinellas Groves Subdivision, or the approximate 15' x 318' utility/drainage easement located on the south portion of the property, as described on Exhibit "A" attached hereto, and said right-of-way and utility/drainage easement are hereby vacated. It is further found that there is no public referendum required pursuant to the City Charter.

**Section 2.** That the City Clerk is directed to record a certified copy of this resolution in the Public Records of Pinellas County, Florida, and send a certified copy thereof to the Property Appraiser of Pinellas County, Florida.

**Section 3.** That this Resolution shall become effective upon its passage  
~~and adoption.~~

---

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 5th day of June, 2014.**



\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

**EASEMENT DESCRIPTIONS:**

AN EASEMENT FOR DRAINAGE PURPOSES THROUGH AND OVER THE SOUTH 15 FT. OF LOT 21, PINELLAS GROVES, IN THE NE 1/4 OF SECTION 23, TOWNSHIP 28S, RANGE 15E. IN THE EVENT THE SAME SHALL CEASE TO BE USED AS A DRAINAGE EASEMENT THEN SUCH EASEMENT SHALL REVERT TO THE GRANTOR.

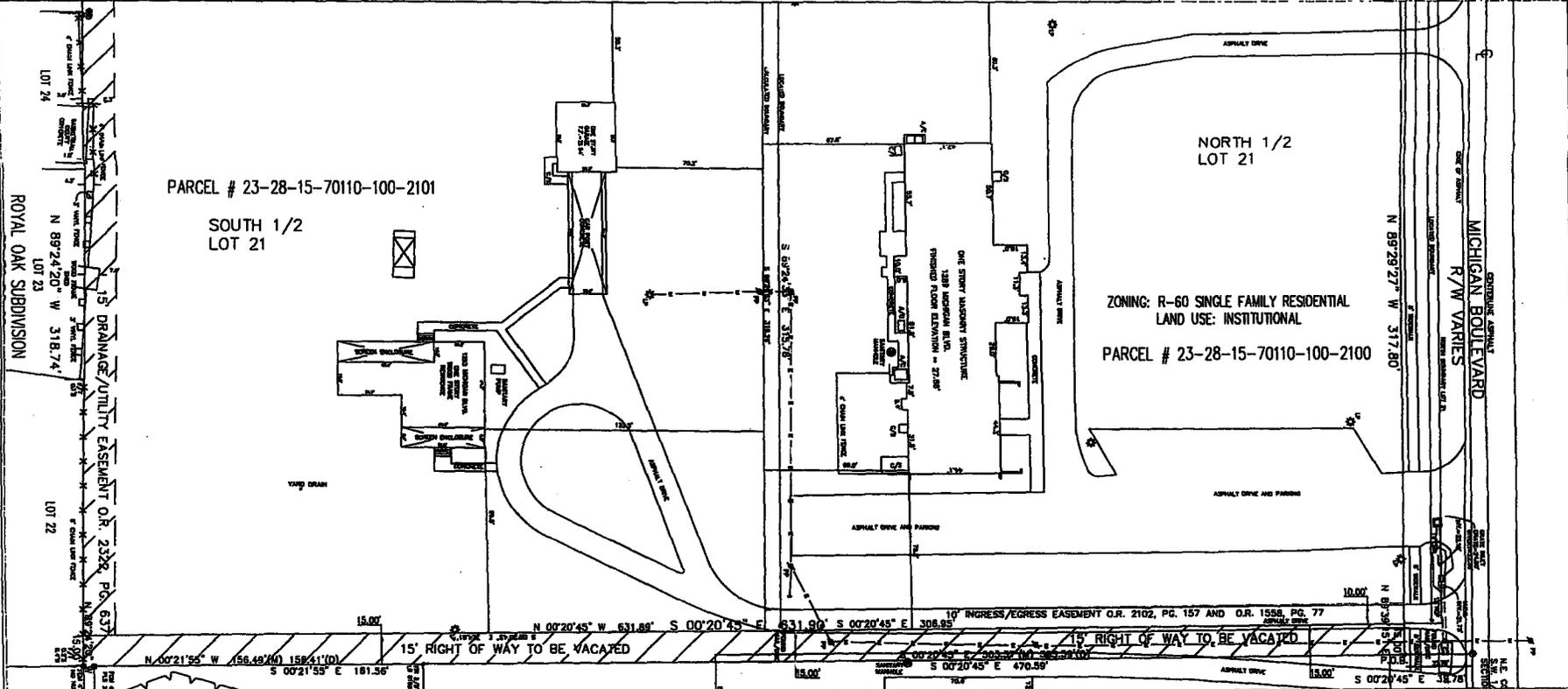
**RIGHT OF WAY DESCRIPTION:**

THAT PORTION OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 23, TOWNSHIP 28 SOUTH, RANGE 15 EAST, PINELLAS COUNTY, FLORIDA; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 OF SAID SECTION: RUN S 00°20'45" EAST ALONG THE WEST LINE OF THE SOUTHEAST 1/4 OF THE NORTHEAST 1/4 32.78 FEET TO THE POINT OF BEGINNING; THENCE S 00° 20'45" EAST 470.59 FEET; THENCE, CONTINUE S 00°21'55" EAST 161.56; THENCE N 89°24'15" WEST 15.00 FEET; THENCE N 00°20'45" WEST 631.90; THENCE N 89°39'15" EAST 15.00 FEET TO THE POINT OF BEGINNING.

**GENERAL NOTES:**

"THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A COMPLETE AND UP-TO-DATE TITLE REPORT. EASEMENTS, RIGHTS-OF-WAY, AND OTHER MATTERS OF RECORD MAY EXIST OTHER THAN AS SHOWN HEREON. \*ALL DIMENSIONS SHOWN HEREON ARE IN FEET AND DECIMALS OF FEET. \*THERE ARE NO VISIBLE ENCROACHMENTS, EXCEPT AS SHOWN HEREON. \*NO UNDERGROUND IMPROVEMENTS ARE LOCATED UNLESS SHOWN HEREON. \*ALL ELEVATIONS INDICATED HEREON ARE IN NORTH AMERICAN VERTICAL DATUM OF 1988 (NAVD88) \*HORIZONTAL SURVEY ACCURACY EXCEEDS 1 FOOT IN 10000 FEET. \*UNAUTHORIZED COPIES OR REPRODUCTION OF THIS DOCUMENT IS EXPRESSLY PROHIBITED WITHOUT THE SIGNING SURVEYOR'S WRITTEN CONSENT.

**SPECIFIC PURPOSE SURVEY:** TO DELINEATE THE EXTENTS OF THE EASEMENT AND THE RIGHT OF WAY



I, PAUL E. HAGLER, THE SURVEYOR IN RESPONSIBLE CHARGE, HEREBY CERTIFY THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AND MEETS THE APPLICABLE MINIMUM TECHNICAL STANDARDS AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL LAND SURVEYORS AND MAPPERS, PURSUANT TO CHAPTER 61G17-6, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO FLORIDA STATUTE CHAPTER 472.027. THIS SURVEY IS NOT VALID WITHOUT THE ORIGINAL SIGNATURE AND RAISED SEAL OF FPLSM.

DATE: \_\_\_\_\_

PAUL E. HAGLER, PROFESSIONAL SURVEYOR AND MAPPER No. 2753

THE SURVEY DEPICTED HERE IS NOT COVERED BY PROFESSIONAL LIABILITY INSURANCE

SURVEY IS SUBJECT TO A TITLE SEARCH FOR EASEMENTS, RIGHTS-OF-WAY AND OTHER MATTERS OF RECORD. BASIS OF BEARINGS ARE DEED AND REFERENCED TO THE SOUTH RIGHT-OF-WAY OF MICHIGAN BOULEVARD, BEARING S 89°29'27" E. NO UNDERGROUND LOCATED UNLESS SHOWN HEREON.

SECTION 23, TOWNSHIP 28 SOUTH, RANGE 15 EAST, PINELLAS COUNTY, FLORIDA

**GRAPHIC SCALE**

**SYMBOL & ABBREVIATION LEGEND**

PLS - PLANT	○ - TELEPHONE PEDestal
CON - CONCRETE	○ - TELEPHONE POWER POLE
W - WOOD	○ - LIGHT POLE
... (many other symbols and abbreviations)	○ - PINE TREE
	○ - OAK TREE
	○ - CAMPHOR TREE
	○ - UNIDENTIFIED TREE
	○ - CYPRESS TREE
	○ - PALM TREE
	○ - MAPLE TREE

<b>ABLE LAND SURVEYING</b> PROFESSIONAL LAND SURVEYOR AND MAPPER 1334 PALMWOOD DRIVE, SUITE 300 PALM HARBOR, FLORIDA 34684 PHONE: (813) 942-2800 FAX: (813) 942-2801	
<b>GLENN MOOR SUBDIVISION</b> GLENN MOOR DEVELOPMENT GROUP, INC. 1334 PALMWOOD DRIVE, SUITE 300 PALM HARBOR, FLORIDA 34684	
<b>EASEMENTS AND ROW SKETCH</b>	
DATE:	09/03/13
PROJECT NO.	13007
DRAWING NO.	S-2

**RESOLUTION 14-13**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, AUTHORIZING THE EXECUTION OF A HIGHWAY PATTERNED PAVEMENT MAINTENANCE MEMORANDUM OF AGREEMENT WITH DISTRICT SEVEN OF THE FLORIDA DEPARTMENT OF TRANSPORTATION; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City of Dunedin desires that the Florida Department of Transportation allow beautification and improvements to the right-of-way area of SR 580 (Skinner Boulevard) at Douglas Avenue (Section 15070-991, M.P. 0.118) by installation of patterned pavement; and

**WHEREAS**, upon installation of such improvements the City is willing to maintain the same at its sole expense and in a reasonable manner; and

**WHEREAS**, the City Commission wishes to authorize the Mayor of the City to enter into a Highway Patterned Pavement Maintenance Memorandum of Agreement with the Florida Department of Transportation.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF DUNEDIN, FLORIDA, IN SESSION AND DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That the Mayor is authorized to execute the Highway Patterned Pavement Maintenance Memorandum of Agreement with the State of Florida Department of Transportation as attached hereto and incorporated herein.

**Section 2.** That this Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 15th day of May, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
Denise M. Schlegel  
City Clerk

DISTRICT SEVEN HIGHWAY PATTERNED PAVEMENT  
MAINTENANCE MEMORANDUM OF AGREEMENT

City of Dunedin

THIS AGREEMENT, entered into as of the 28<sup>th</sup> day of May, 20 14, between the STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION, (the "Department") and the CITY OF DUNEDIN, the ("City").

WITNESSETH

WHEREAS, the Department owns SR 580 (Skinner Boulevard) right-of-way consisting of road improvements and grassed areas located at the intersection of Douglas Avenue (Section 15070-991, M.P. 0.118) in Pinellas County, Florida (the "Project Highway"); and

WHEREAS, the Department has responsibility for operation and maintenance of the State Highway System; and

WHEREAS, the Project Highway is beautified by improvements which enhance its aesthetic quality; and

WHEREAS, the City has agreed to install and maintain those improvements in accordance with the provisions below; and

WHEREAS, the Department is authorized pursuant to Section 334.044, Florida Statutes to enter into contracts and agreements; and

WHEREAS, the parties recognize the need for entering into an agreement designating and setting forth the responsibilities of the City in maintaining the improvements; and

WHEREAS, the City has authorized its officers to execute this Agreement on its behalf,

NOW THEREFORE, in consideration of the mutual benefits that flow each to the other, the parties agree as follows:

1. The City shall install and maintain those improvements to the Project Highway as specified in the Construction Plans and Specifications attached as Exhibit "A", and the Maintenance Plan attached as Exhibit "B", all of which are incorporated and made a part of this Agreement and all of the work in connection therewith being referred to as the "Project". The City shall not modify the Project without prior written approval of the Department.
2. In the event that any portion of the Project is at any time determined by the Department to not be in conformance with all applicable laws, rules, procedures and guidelines of the Department, or is determined to be interfering with the safe and efficient operation of any transportation facility, or is otherwise determined to present a danger to public health, safety, or welfare, said portion shall be immediately brought into compliance at the sole cost and expense of the City.
3. The City covenants to appropriate in its annual budget, for each Fiscal Year, non ad valorem funds lawfully available to satisfy its maintenance responsibilities under this Agreement. This covenant does not create any lien upon, or pledge of, such non-ad valorem funds, nor does it preclude the City from pledging such funds in the future, or from levying and collecting any particular non-ad valorem funds.

4. Maintenance of the Project shall be subject to periodic inspections by the Department. In the event that any of the aforementioned responsibilities are not carried out or are otherwise determined by the Department not to be in conformance with the applicable Project standards, the Department may terminate the agreement in accordance with Paragraph 11.
  5. The Department's Area Maintenance Office shall be notified forty-eight hours in advance of commencing any scheduled construction or maintenance activities. Emergency repairs shall be performed without delay and the Area Maintenance Office notified immediately. The Area Maintenance Engineer with responsibility for the roadway within this Project is located at 5211 Ulmerton Road, Clearwater, FL. 33760. Phone 727-575-8300.
  6. Prior to any major Project construction or reconstruction activity, the City shall submit plans of the proposed work to all utilities with facilities within the limits of work for their review and comment. The City shall resolve any conflicts and/or concerns raised by the utilities prior to commencement of such activities. Prior to commencing any field activity on this project, the City shall notify all utilities of its work schedule enabling facilities to be field located and marked to avoid damage.
  7. If the City desires to position vehicles, equipment, or personnel, or to perform maintenance activities closer than fifteen feet to the edge of pavement, or to close a traffic lane, Maintenance of Traffic shall be in accordance with the Project plans and all Departmental Maintenance of Traffic Regulations. The City shall have a Worksite Traffic Supervisor certified in Advanced Maintenance of Traffic supervise set up and operation of Maintenance of Traffic devices at the site of the construction or maintenance activity. Prior to proceeding with construction, the City shall provide the Department with the Worksite Traffic Supervisor's certification.
  8. The Department will require the City to cease operations and remove all personnel and equipment from the Department's right-of-way if any actions on the part of the City or representatives of the City violate the conditions or intent of this agreement as determined by the Department.
  9. It is understood between the parties hereto that any or all of the Project may be removed, relocated or adjusted at any time in the future as determined to be necessary by the Department in order that the adjacent state road be widened, altered or otherwise changed to meet with the future criteria or planning of the Department. The Department shall give the City notice regarding such removal, relocation or adjustment and the City shall be allowed sixty calendar days to remove all or part of the Project at its own cost. The City will own that part of the Project it removes. After the sixty calendar day removal period, the Department may remove, relocate or adjust the Project as it deems best. Wherever the City removes improvements pursuant to this agreement, the City shall restore the surface of the affected portion of the project premises to the same safe and trafficable condition as existed prior to installation of such improvements.
  10. The term of this Agreement shall be for a period of ten years commencing on the date of execution of the Agreement, with ten year renewal options. The Department shall send the City an expiration notice six months prior to each ten year expiration date. Any renewal must be agreed upon by both parties in writing ninety calendar days prior to the expiration of the existing agreement.
- In the event that the City elects to not renew the Agreement, then the City shall, at its sole expense, be responsible for the removal of the Project and restore the Project Highway to a safe and trafficable condition prior to expiration of the Agreement.

11. This Agreement may be terminated by the Department if the City, following fifteen working days written notice, fails to perform its maintenance responsibilities under this Agreement.

12. Within sixty days following a notice to terminate pursuant to Paragraph 11, if the Department requests, the City shall at its sole expense remove the Project and restore the Project premises to the same safe condition existing prior to installation of the Project. If the Department does not request such restoration or terminates this Agreement pursuant to Paragraph 11, the Department may remove, relocate or adjust the Project as it deems best.

13. The Department's District Secretary shall decide all questions, difficulties, and disputes of any nature whatsoever that may arise under or by reason of this Agreement, the prosecution, or fulfillment of the service hereunder and the character, quality, amount, and value thereof; and his decision upon all claims, questions, and disputes shall be final and conclusive upon the parties.

14. The City shall utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new persons employed by the City during the term of the agreement and shall expressly require any subcontractors, assigned by the City's contractor to perform work pursuant to the contract with the Department to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new persons employed by the subcontractor during the agreement term.

15. This Agreement embodies the entire agreement and understanding between the parties and there are no other agreements or understandings, oral or written, with reference to the subject matter that are not merged herein and superseded hereby.

16. This Agreement may not be assigned or transferred by the City, in whole or in part without consent of the Department.

17. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

18. All notices, demands, requests or other instruments shall be given by depositing the same in the U.S. Mail, postage prepaid, registered or certified with return receipt:

- (a) If to the Department, address to District Landscape Architect, at Florida Department of Transportation, MS 7-1200, 11201 N. McKinley Drive, Tampa, Florida 33612-6456 or at such other address as the Department may from time to time designate by written notice to the City; and
- (b) If to the City address to Mr. Robert DiSpirito, City Manager, 542 Main Street, Dunedin, Florida 34697-1348, or at such other address as the City may from time to time designate by written notice to the Department.

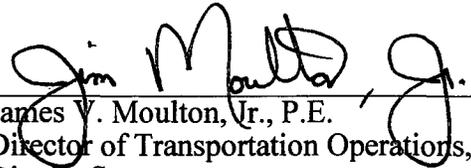
All time limits provided shall run from the date of receipt of all such notices, demands, requests and other instruments.

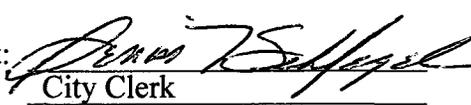
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

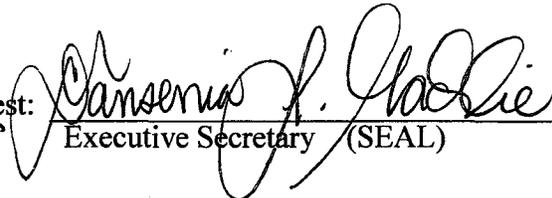
THE CITY OF DUNEDIN  
a municipal corporation  
of the State of Florida

STATE OF FLORIDA  
DEPARTMENT OF TRANSPORTATION

By:   
Name Dave Eggers  
Title Mayor

By:   
Name James Y. Moulton, Jr., P.E.  
Title Director of Transportation Operations,  
District Seven

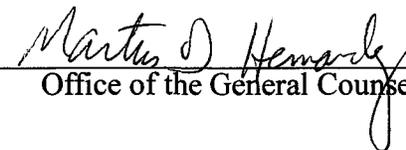
Attest:   
Title City Clerk  
(SEAL)

Attest:   
Title Executive Secretary (SEAL)

Legal Review:

Legal Review:

  
Title City Attorney

  
Office of the General Counsel, District 7

## RESOLUTION 14-14

**A RESOLUTION OF THE CITY OF DUNEDIN, FL, AMENDING THE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS**, the City Commission now desires to revise the FY 2014 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

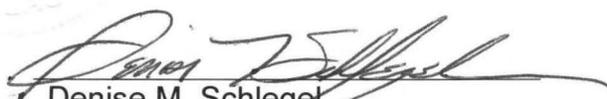
This Budget Amendment Resolution provides for budget adjustments of both revenues and expenditures in the General Fund and Library Co-Operative Funds.

1. Reduce revenues in the General Fund by \$158,568.
2. Reduce the expenditure appropriation in the General Fund by \$377,920.
3. Increase revenues and expenditures in the Library Co-Operative Fund by \$19,802.
4. Necessary accounting entries to affect these changes are directed.
5. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 5th day of June, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk



## RESOLUTION 14-15

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, URGING THE ADMINISTRATION AND CONGRESS OF THE UNITED STATES TO PRESERVE THE CURRENT TAX-EXEMPT STATUS OF MUNICIPAL BONDS, AND REJECT ANY PROPOSAL THAT WOULD REDUCE OR ELIMINATE THE FEDERAL TAX EXEMPTION ON INTEREST EARNED FROM TAX-EXEMPT MUNICIPAL BONDS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, First, several proposals are being discussed in the ongoing Federal budget negotiations that would either reduce or eliminate the current tax exemption on the interest earned from tax-exempt municipal bonds; and

**WHEREAS**, Second, the United States House of Representatives Ways and Means Committee is considering various changes to Federal tax provisions on reducing or eliminating the current tax exemption on the interest earned from tax-exempt municipal bonds, along with the ability of individual taxpayers who itemize to deduct their State and local income and property taxes when filing their Federal tax return and other tax related issues; and

**WHEREAS**, Third, for state and local governments, tax-exempt municipal bonds are the most important tool available for financing critical infrastructure projects such as primary and secondary schools, hospitals, water and sewer systems, roads, highways and streets, public power facilities, mass transit projects, airports, solid waste, sanitation and recycling, multi-family housing, police and fire stations and equipment, bridges, tunnels and other infrastructure projects; and

**WHEREAS**, Fourth, together, state and local governments are responsible for building and maintaining 75 percent of the nation's infrastructure, which is financed mostly by tax-exempt municipal bonds; and

**WHEREAS**, Fifth, on average, state and local governments save up to two percentage points on their borrowing rates through use of tax-exempt municipal bonds; and

**WHEREAS**, Sixth, these savings allow state and local governments to invest more in critical infrastructure and essential services while holding down the cost to taxpayers; and

**WHEREAS**, Seventh, approximately \$3.7 trillion in tax-exempt municipal bonds are currently outstanding; and

**WHEREAS**, Eighth, the U.S. Conference of Mayors, the National league of Cities, and the National Association of Counties, with assistance from the Government Finance Officers Association, issued a joint report (the "Report") in February 2013 titled "Protecting Bonds to Save Infrastructure and jobs 2013" to determine the impact of the proposals to limit (by imposing a 28% cap) or fully eliminate the exemption on interest from municipal bonds; and

**WHEREAS**, Ninth, the Report shows that state and local governments issued 57,754 tax-exempt bonds for more than \$1.65 trillion of infrastructure investment over the last decade, with over 6,600 tax-exempt bonds financing over \$173 billion in infrastructure projects in 2012 alone; and

**WHEREAS**, Tenth, of those totals, 1,250 tax exempt state and local tax-exempt bonds financing over \$103 billion in infrastructure improvements were issued over the last decade in the State of Florida; and

**WHEREAS**, Eleventh, the Report shows that if the 28% cap on interest earned from tax-exempt municipal bonds was in effect over the last decade, it would have cost state and local governments an additional \$173 billion in interest expense over the last decade; and

**WHEREAS**, Twelfth, the Report shows that if the tax-exemption had been fully eliminated, it would have cost state and local governments an additional \$495 billion in interest expense over the last decade; and

**WHEREAS**, Thirteenth, while on first appearance it might seem that the 28 percent cap on interest earned from tax-exempt bonds may only affect high-income taxpayers, in effect the increased cost would be borne almost exclusively by state and local governments, and therefore all taxpayers within those respective jurisdictions, in the form of higher interest rates on their borrowing; and

**WHEREAS**, Fourteenth, it is being proposed that the 28 percent cap be applied retroactively, meaning that it would be applied to all tax-exempt bonds already outstanding in addition to bonds issued in the future, and in the nearly 200 year history of the tax-exemption Congress has never applied a retroactive tax to bonds already held by investors; and

**WHEREAS**, Fifteenth, this would hurt middle-class taxpayers as state and local governments would be forced to increase property and sales taxes on local taxpayers to offset higher borrowing rates on infrastructure investments; and

**WHEREAS**, Sixteenth, if state and local governments choose not to increase property and sales taxes on local taxpayers to offset higher borrowing rates on infrastructure investments, the alternate option would be to decrease investment in infrastructure, negatively impacting jobs and resulting in needed infrastructure improvements being postponed and resulting in a more deteriorated infrastructure base; and

**WHEREAS**, Seventeenth, 2010 IRS data show that 57 percent of municipal bond interest is paid to individuals 65 years of age and older who largely live on fixed incomes, and 52 percent of municipal bond interest is paid to individuals who earn less than \$250,000 annually; and

**WHEREAS**, Eighteenth, the Federal government should not adversely effect, by limiting or providing obstacles to needed infrastructure financing, the right of state and local governments to borrow and decide what infrastructure and services to provide to their citizens.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

**Section 1.** The foregoing recitals contained in the preamble to this Resolution are incorporated by reference herein.

**Section 2.** The City Commission urges the Administration and Congress of the United States to preserve the current tax-exempt status of municipal bonds which has successfully provided trillions of dollars in low-cost financing for critical infrastructure investments that serve citizens in all states and local communities.

**Section 3.** The City Commission urges the Administration and Congress of the United States to reject any proposal that would reduce or eliminate the federal tax exemption on interest earned from tax-exempt municipal bonds.

**Section 4.** The City Clerk is directed to distribute this Resolution to the President of the United States, the Florida members of the Senate and House of Representatives, the Executive Director of the Florida League of Cities, the Board of County Commissioners for Pinellas County, and each of the municipalities in Pinellas County.

**Section 5.** This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS <sup>19<sup>th</sup></sup> day of June, 2014.**



ATTEST:

  
Denise M. Schlegel  
City Clerk

  
\_\_\_\_\_  
Dave Eggers  
Mayor

## RESOLUTION 14-16

### A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, ADOPTING AND ESTABLISHING AN ARTS & CULTURE POLICY FOR THE CITY OF DUNEDIN; AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.

**WHEREAS**, the Dunedin Arts & Culture Advisory Committee has drafted an Arts & Culture Policy; and

**WHEREAS**, the purpose of the Arts & Culture Policy is to encourage both City government and privately-funded construction projects to feature a visual art element in their designs; and

**WHEREAS**, the Arts & Culture Advisory Committee recommends that most publicly-funded projects be encouraged to set aside a portion of the total project costs for a visual art element; and

**WHEREAS**, the Arts & Culture Advisory Committee recommends a similar contribution be encouraged for privately-funded construction projects; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That the City Commission of the City of Dunedin hereby adopts the following Arts & Culture Policy:

It is the policy of the City Commission of the City of Dunedin that appropriate construction projects funded with public money, excluding underground utilities, road, and other projects not well-feasible to incorporating art, include in the design an artistic element either in the construction of the functional parts or the treatment of the finished project. Furthermore, privately-funded construction projects are encouraged to add elements of art in their design. Participation by a representative of the Arts & Cultural Advisory Committee will be invited during the design phase of publicly-funded construction projects so that the Committee's ideas about how art can be incorporated are considered and, to the extent that budgets allow, those considerations may be included in the project.

**Section 2.** That this Resolution shall become effective immediately upon its passage and adoption.

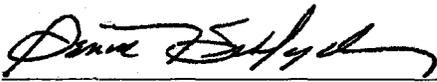
PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 24th day of July, 2014.



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Dave Eggers  
Mayor

ATTEST:



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Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-17**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN AMENDING THE CITY OF DUNEDIN EMPLOYEES' FLEXIBLE BENEFIT PLAN, TO INCORPORATE CHANGES RESULTING FROM THE ENACTMENT OF THE PATIENT PROTECTION AND AFFORDABLE CARE ACT (PPACA), AND TO RE-APPROVE AND RE-AFFIRM THE PRIOR ADOPTION OF THE CITY'S HEALTH REIMBURSEMENT ACCOUNT (HRA); REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City has previously adopted the City of Dunedin Employee Flexible Benefits Plan (the "Flex Plan") and the City of Dunedin Health Reimbursement Plan (the "HRA"), each of which has been amended from time to time; and

**WHEREAS**, there have been language revisions to certain federal regulations resulting from the enactment of the PPACA since the Flex Plan was last amended; and

**WHEREAS**, the City Commission, desires to amend the Flex Plan in accordance with all required federal and state laws and regulations; and

**WHEREAS**, the City is authorized to amend the Flex Plan; and

**WHEREAS**, the City Commission previously-approved the HRA on or before October 1, 2004; and

**WHEREAS**, the City wishes to re-affirm that document in writing;

**NOW, THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** The amended Flex Plan attached hereto updates the Flex Plan for all required legislative changes and is hereby approved and adopted in

its entirety.

**Section 2.** The HRA document attached hereto is hereby reaffirmed.

**Section 3.** The amended Flex Plan and the HRA shall be maintained in the office of the Plan Administrator at the Department of Human Resources, Post Office Box 1348, Dunedin, Florida 34697-1348.

**Section 4.** All Resolutions or parts of Resolutions in conflict herewith be and the same are hereby repealed.

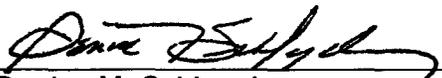
**Section 5.** The appropriate officers of the City of Dunedin are authorized to execute the amended Plan and the HRA contract.

**Section 6.** This Resolution shall be effective as of the date adopted.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 24th day of July, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-18**

**A RESOLUTION OF THE CITY OF DUNEDIN, FL, AMENDING THE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS**, the City Commission now desires to revise the FY 2014 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

This Budget Amendment Resolution provides for budget transfers between funds and projects, and for various adjusting entries, as follows:

1. Appropriations resulting in net fund balance changes as follows: General Fund increase of \$221,449, Grant Fund decrease of \$22,023, Stadium Fund decrease of \$308,829, Transportation Impact Fee Fund increase of \$16,000, Fine Arts Center Fund increase of \$2,787, Parks Impact Fee Fund decrease of \$460,475, Fire Impact Fee Fund decrease of \$15,500, Law Impact Fee Fund decrease of \$4,500, Donation Fund decrease of \$6,200, Debt Service Fund decrease of \$1,133, Parks & Rec Capital Projects Fund increase of \$22,500, Penny Fund increase of \$196,782, Marina Fund increase of \$65,260, Stormwater Fund increase of \$6,000, Fleet Fund decrease of \$56,148, Facilities Maintenance Fund increase of \$90,000 and Self Insurance Fund increase of \$152,167.
2. Appropriations in the General Fund increasing expenditures by \$531,970 and revenues by \$753,419, net \$221,449, as follows: Friends of the Library donations and offsetting related expenditures of \$23,000, donation revenue reduction of \$33,000, reduction of fountain expense by \$12,000, reduction of Weaver Park Revenue by \$6,000, reducing the \$288,839 transfer to the Stadium Fund, appropriating \$60,759 for a Parks mower, appropriating \$21,263 for Splash Park sidewalk and offsetting transfer in from Facilities Maintenance CIP Fund and combining into the General Fund the Dunedin Fine Arts Center, Dunedin Historical Society, and Grant Fund budgets. Close out of the Debt Service Fund and transfer of remaining balance of \$1,133 to the General Fund.

3. Grant Fund eliminated and balance of \$22,023 transferred to the General Fund.
4. Reduce transfer to Stadium Fund from General Fund by \$308,839.
5. Reduce Transportation Impact Fee Revenue \$118,000, and reduce expenditures in the fund \$134,000.
6. Remove budgeted amounts in the Dunedin Fine Arts Center by reducing revenues \$662,867 and expenditures by \$665,654.
7. Remove budgeted amounts in the Dunedin Historical Society by reducing revenues and expenditures by \$307,565.
8. Parks & Rec (LDO) Impact Fee Fund: reduce Impact Fee revenue by \$451,292, increase tree bank permit fees \$2,600, and reduce expenses \$11,783.
9. Fire Impact Fee Fund: reduce Impact Fee revenue by \$30,500, and reduce expenses \$15,000.
10. Law Impact Fee Fund: reduce Impact Fee revenue by \$9,500, and reduce expenses \$5,000.
11. Remove budgeted amounts in the Donation Fund by reducing revenues \$30,450 and expenditures by \$24,250.
12. Reduce Parks & Recreation Capital Fund expenditures: Little League Facilities reduced by \$12,500, Blatchley House renovation reduced by \$88,000, Athletic Fields reduced by \$8,000 and Fence Replacements reduced by \$2,000. Transfer in from Risk Safety Fund reduced \$88,000.
13. Penny Fund: reduce transfer in from General Fund by \$14,813 and reduce capital projects Skinner Boulevard reconstruction by \$40,738, Patricia Corridor Improvements by \$24,613, and San Christopher reconstruction by \$201,515 and increase North Douglas Corridor Improvements by \$55,271.
14. Close Debt Service Fund by transferring \$1,133 to the General Fund.
15. Water and Wastewater Fund, move projects from Capital to Operating in the amount of \$79,370.
16. Marina Fund: increase revenues by \$65,260.
17. Stormwater Fund: increase revenues by \$6,000 for a donation.
18. Fleet Fund: reduce vehicle purchases by \$86,098 and reduce Interfund Loan payment revenue by \$142,246
19. Reduce Facilities Maintenance expenditures by \$90,000.

20. Reduce Facilities Maintenance CIP expenditures for Fire Station 61 by \$21,263 and transfer to the General Fund for sidewalks.
21. Risk-Safety Self Insurance Fund increase appropriation \$2,500 for consulting fees and decreasing appropriations \$66,667 for insurance claims. Move transfers out to the General Fund for the Dunedin Fine Arts Center \$500,000 and the Dunedin Historical Society \$200,000.
22. CRA (Community Redevelopment Agency): Move transfer out to the General Fund for the Dunedin Historical Society \$25,000.
23. Necessary accounting entries to affect these changes are directed.
24. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 24th day of July, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

## RESOLUTION 14-19

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, VACATING A PORTION OF A 3' UTILITY EASEMENT WITHIN LOT 7 AND A PORTION OF A 3' UTILITY EASEMENT WITHIN LOT 8 OF THE PROPERTY LOCATED AT 1626 PASADENA DRIVE (PARCEL NUMBER 22-28-15-23310-034-0080); AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**

**WHEREAS**, the owners of the property located at 1626 Pasadena Drive have requested that a portion of the utility easements (approximately +/-808.7 square feet) within Lots 7 and 8 of the property be vacated; and

**WHEREAS**, the City Commission finds and determines that the vacation of said easements are consistent with the Charter of the City of Dunedin and with the Comprehensive Plan of the City of Dunedin; and

**WHEREAS**, there is no public need for the utility easements, as described on Exhibit "A" attached hereto, and Duke Energy Florida, Inc. d/b/a Duke Energy, Bright House Networks, Clearwater Gas, Verizon Florida, LLC and Wide Open West (WOW) have made no objection to the vacation of said easements; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That it is found that there is no public need for a portion of the utility easements located on the property, as described on Exhibit "A" attached hereto, and said utility easements are hereby vacated. It is further found that there is no public referendum required pursuant to the City Charter.

**Section 2.** That the City Clerk is directed to record a certified copy of this resolution in the Public Records of Pinellas County, Florida, and send a certified copy thereof to the Property Appraiser of Pinellas County, Florida.

**Section 3.** That this Resolution shall become effective upon its passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 7th day of August, 2014.**



Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

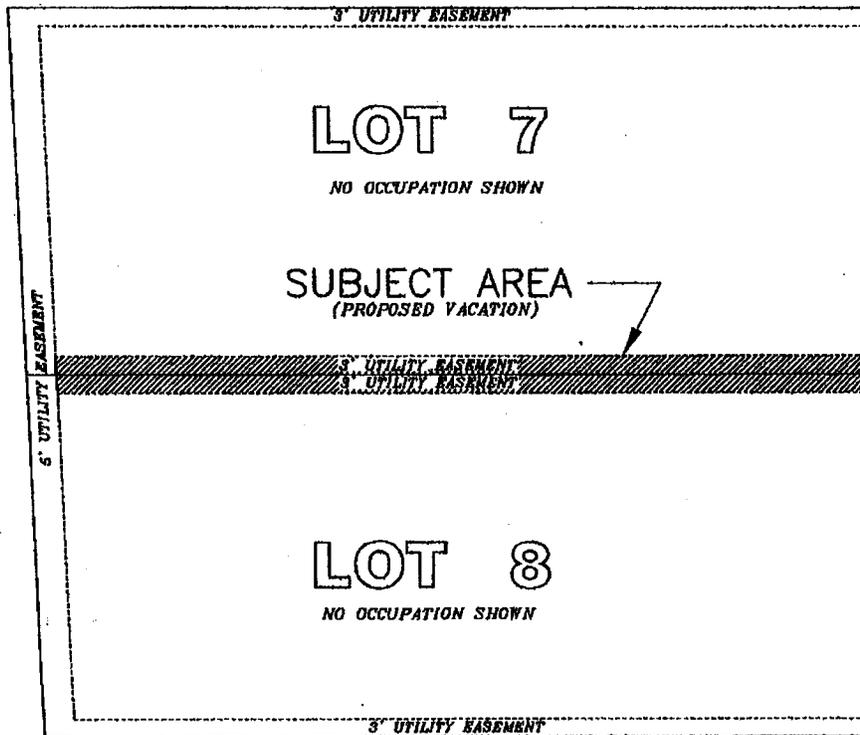
**UTILITY EASEMENT VACATION  
EXHIBIT "A"**

A PORTION OF LOTS 7 AND 8, BLOCK 34, DUNEDIN ISLES UNIT No. 1, AS RECORDED IN PLAT BOOK 20, PAGES 34-37, OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE SOUTHERLY 3 FEET OF SAID LOT 7 AND THE NORTHERLY 3 FEET OF SAID LOT 8, TOGETHER, LESS THE WESTERLY 5 FEET THEREOF.

CONTAINING +/- 808.7 SQUARE FEET MOL.

LYING IN SECTION 22, TOWNSHIP 28 SOUTH, RANGE 16 EAST, CITY OF DUNEDIN, PINELLAS COUNTY, FLORIDA.



I DO HEREBY CERTIFY THIS TO BE A TRUE AND CORRECT COPY CERTIFIED THIS

DATE 8-11-14

*[Signature]*  
CITY CLERK

**RESOLUTION 14-19**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, VACATING A PORTION OF A 3' UTILITY EASEMENT WITHIN LOT 7 AND A PORTION OF A 3' UTILITY EASEMENT WITHIN LOT 8 OF THE PROPERTY LOCATED AT 1626 PASADENA DRIVE (PARCEL NUMBER 22-28-15-23310-034-0080); AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**



**WHEREAS**, the owners of the property located at 1626 Pasadena Drive have requested that a portion of the utility easements (approximately +/-808.7 square feet) within Lots 7 and 8 of the property be vacated; and

**WHEREAS**, the City Commission finds and determines that the vacation of said easements are consistent with the Charter of the City of Dunedin and with the Comprehensive Plan of the City of Dunedin; and

**WHEREAS**, there is no public need for the utility easements, as described on Exhibit "A" attached hereto, and Duke Energy Florida, Inc. d/b/a Duke Energy, Bright House Networks, Clearwater Gas, Verizon Florida, LLC and Wide Open West (WOW) have made no objection to the vacation of said easements; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That it is found that there is no public need for a portion of the utility easements located on the property, as described on Exhibit "A" attached hereto, and said utility easements are hereby vacated. It is further found that there is no public referendum required pursuant to the City Charter.

**Section 2.** That the City Clerk is directed to record a certified copy of this resolution in the Public Records of Pinellas County, Florida, and send a certified copy thereof to the Property Appraiser of Pinellas County, Florida.

KEN BURKE, CLERK OF COURT  
AND COMPTROLLER PINELLAS COUNTY, FL  
INST# 2014230710 08/18/2014 at 12:20 PM  
OFF REC BK: 18496 PG: 2039-2041  
DocType: GOV RECORDING: \$27.00

**Section 3.** That this Resolution shall become effective upon its passage  
~~and adoption.~~

---

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 7th day of August, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

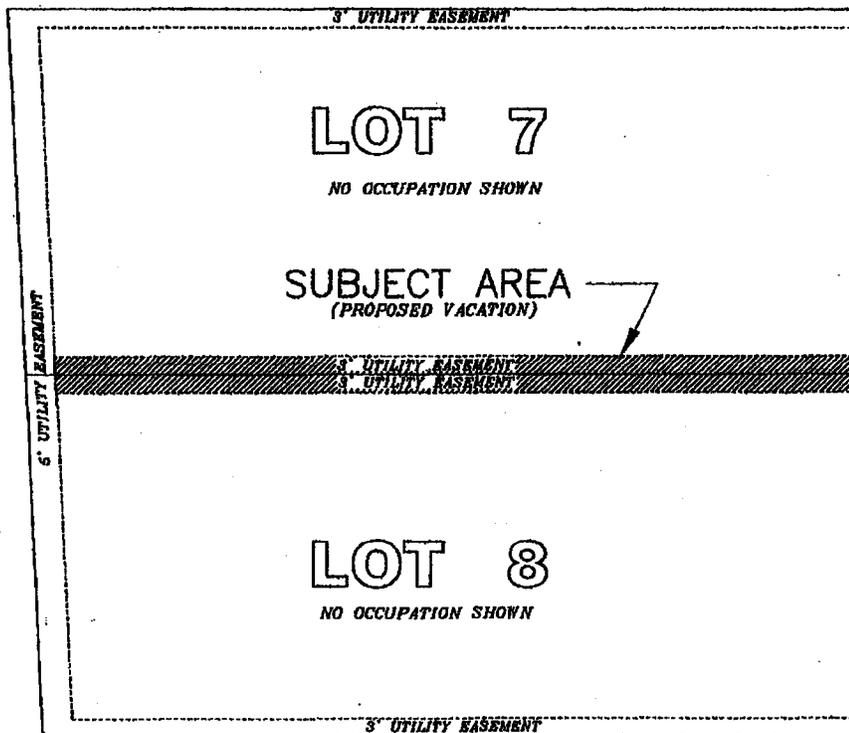
**UTILITY EASEMENT VACATION  
EXHIBIT "A"**

A PORTION OF LOTS 7 AND 8, BLOCK 34, DUNEDIN ISLES UNIT No. 1, AS RECORDED IN PLAT BOOK 20, PAGES 34-37, OF THE PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE SOUTHERLY 3 FEET OF SAID LOT 7 AND THE NORTHERLY 3 FEET OF SAID LOT 8, TOGETHER, LESS THE WESTERLY 5 FEET THEREOF.

CONTAINING +/- 808.7 SQUARE FEET MOL.

LYING IN SECTION 22, TOWNSHIP 28 SOUTH, RANGE 16 EAST, CITY OF DUNEDIN, PINELLAS COUNTY, FLORIDA.



## **RESOLUTION 14-20**

### **A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA ENTERING INTO A COOPERATION AGREEMENT WITH PINELLAS COUNTY, FLORIDA FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEARS 2015, 2016, AND 2017.**

**WHEREAS**, the Housing and Community Development Act of 1974, as amended, makes provisions whereby urban counties may enter into cooperation agreements with certain units of local governments to undertake or assist in undertaking essential activities pursuant to Community Development Block Grants; and

**WHEREAS**, the cooperation of the City of Dunedin, Florida and Pinellas County, Florida is essential for the successful planning and implementation of local community development programs; and

**WHEREAS**, the assurances and the items of agreement contained in the Cooperation Agreement are realistic and consistent with guidelines stipulated by the U.S. Department of Housing and Urban Development, now therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

**Section 1.** The City of Dunedin, Florida does hereby agree to adopt the Cooperation Agreement with Pinellas County, Florida, to participate in the Community Development Block Grant Program for Fiscal Years 2015, 2016 and 2017.

**Section 2.** The Mayor of the City of Dunedin, Florida, is authorized to sign the Cooperation Agreement and the City Clerk is authorized to attest same.

**Section 3.** That this Resolution shall take effect upon its adoption.

**COOPERATION AGREEMENT**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

THIS AGREEMENT, entered into this 1 day of August 2014, by and between the City of Dunedin, Florida (herein called CITY) and Pinellas County, Florida (herein called COUNTY);

WITNESSETH THAT:

WHEREAS, the Housing and Community Development Act of 1974 as amended makes provisions whereby urban counties may enter into a Cooperation Agreement (AGREEMENT) with certain units of local government to undertake or assist in undertaking essential activities pursuant to the Community Development Block Grant (CDBG) program and has since made available the HOME Investment Partnership Program and Emergency Solutions Grant Program; and

WHEREAS, it is the desire of the parties that the COUNTY undertake activities necessary to plan and carry out or assist in carrying out the Community Development Program for the benefit of residents of Pinellas County.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. The CITY hereby authorizes the COUNTY to submit for and receive CDBG funds from the U.S. Department of Housing and Urban Development (HUD), and further shall authorize inclusion of the CITY'S population for the purposes of calculating and making CDBG funds available directly to the COUNTY.

2. The COUNTY shall, at no cost to the CITY, provide staff resources and other services necessary to planning and administering the Community Development Program.

3. The COUNTY and the CITY hereby agree that this AGREEMENT covers both the CDBG Entitlement Program and, where applicable, the HOME Investment Partnership Program (HOME) and Emergency Solutions Grant Program (ESG).

4. By executing this AGREEMENT, the CITY hereby states that it understands that it:

1. May not apply for grants from appropriations under the State CDBG Program for fiscal years during the period in which it participates in the urban county's CDBG Program; and

2. May receive a formula allocation under the HOME Program only through the urban county. Thus, even if the urban county does not receive a HOME formula allocation, the participating unit of local government cannot form a HOME consortium with other local governments. However, this does not preclude the urban county or a unit of government participating with the urban county from applying for State HOME funds; and

3. May receive a formula allocation under the ESG Program only through the urban county. However, this does not preclude the urban county or a unit of government participating with the urban county from applying for State ESG funds.

5. The CITY hereby acknowledges that pursuant to 24 CFR 570.501(b) the CITY is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement set forth in 24 CFR 570.503.

6. COUNTY and CITY do hereby agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing. The COUNTY will ensure that CITY officials and the citizens of the CITY have direct and frequent access to and influence on the process by which decisions are made concerning COUNTY projects which either directly or indirectly affect the CITY. A Technical Advisory Committee composed of the chief executive of each municipality executing this AGREEMENT, or of the chief executive's designee, will meet as required to assist and advise COUNTY staff in the overall development, coordination and administration of the Community Development Program.

7. COUNTY and CITY shall cooperate in the implementation of the approved Consolidated Plan during the period of the AGREEMENT for which COUNTY qualifies as an urban county and for additional time as may be required for the expenditure of funds granted to the COUNTY for such period. The COUNTY has final responsibility for selecting CDBG, HOME, and ESG activities and annually filing the Final Statements with HUD.

8. With reference to the use of the CDBG (and HOME and ESG, where applicable) funds to be received by the COUNTY, and including any program income generated from the expenditure of CDBG (and HOME and ESG, where applicable) funds, the COUNTY may either carry out the Community Development Program on behalf of the CITY or, in the event that parties determine that it is feasible for the CITY to perform any services in connection with the Community Development Program, the COUNTY may permit the CITY, through a separate agreement, to carry out activities or projects in conformance with the COUNTY'S Community Development Program.

9. CITY does hereby agree to inform COUNTY, in writing, of any income generated by the expenditure of CDBG (and HOME and ESG, where applicable) funds received by the CITY and that such program income must be paid to the COUNTY or may be retained by the CITY only if its use is defined in the separate agreement referenced in Section 8 above. The CITY agrees that any program income authorized to be retained under a separate agreement may only be used for eligible activities in accordance with all CDBG (and HOME and ESG, where applicable) requirements as may then apply.

10. COUNTY and CITY agree that COUNTY has the responsibility for monitoring and reporting to HUD on the use of any such program income thereby requiring appropriate record keeping and reporting by the CITY as required by 24 CFR 570.501 and 570.504. In the event the CITY closes out an income generating project or becomes eligible to receive CDBG (and HOME and ESG, where applicable) funds as an entitlement community, any program income on hand or received subsequent to the close out or change in status shall be paid to the COUNTY.

11. The CITY hereby agrees to notify the COUNTY, in writing, of any modification or change in use of real property from that planned at the time of acquisition or improvement with CDBG (and HOME and ESG, where applicable) funds including disposition. In the event property acquired or improved with CDBG funds is sold or transferred for a use which does not qualify under the CDBG (and HOME and ESG, where applicable) regulations, the COUNTY shall be reimbursed by the CITY an amount of the fair market value equal to the portion which CDBG (and HOME, where applicable) funds represented of the initial purchase price and improvements. All program income received by the COUNTY from the disposition or transfer, or received from income generating projects

5. The CITY hereby acknowledges that pursuant to 24 CFR 570.501(b) the CITY is subject to the same requirements applicable to subrecipients, including the requirement of a written agreement set forth in 24 CFR 570.503.

6. COUNTY and CITY do hereby agree to cooperate to undertake, or assist in undertaking, community renewal and lower income housing assistance activities, specifically urban renewal and publicly assisted housing. The COUNTY will ensure that CITY officials and the citizens of the CITY have direct and frequent access to and influence on the process by which decisions are made concerning COUNTY projects which either directly or indirectly affect the CITY. A Technical Advisory Committee composed of the chief executive of each municipality executing this AGREEMENT, or of the chief executive's designee, will meet as required to assist and advise COUNTY staff in the overall development, coordination and administration of the Community Development Program.

7. COUNTY and CITY shall cooperate in the implementation of the approved Consolidated Plan during the period of the AGREEMENT for which COUNTY qualifies as an urban county and for additional time as may be required for the expenditure of funds granted to the COUNTY for such period. The COUNTY has final responsibility for selecting CDBG, HOME, and ESG activities and annually filing the Final Statements with HUD.

8. With reference to the use of the CDBG (and HOME and ESG, where applicable) funds to be received by the COUNTY, and including any program income generated from the expenditure of CDBG (and HOME and ESG, where applicable) funds, the COUNTY may either carry out the Community Development Program on behalf of the CITY or, in the event that parties determine that it is feasible for the CITY to perform any services in connection with the Community Development Program, the COUNTY may permit the CITY, through a separate agreement, to carry out activities or projects in conformance with the COUNTY'S Community Development Program.

9. CITY does hereby agree to inform COUNTY, in writing, of any income generated by the expenditure of CDBG (and HOME and ESG, where applicable) funds received by the CITY and that such program income must be paid to the COUNTY or may be retained by the CITY only if its use is defined in the separate agreement referenced in Section 5 above. The CITY agrees that any program income authorized to be retained under a separate agreement may only be used for eligible activities in accordance with all CDBG (and HOME and ESG, where applicable) requirements as may then apply.

10. COUNTY and CITY agree that COUNTY has the responsibility for monitoring and reporting to HUD on the use of any such program income thereby requiring appropriate record keeping and reporting by the CITY as required by 24 CFR 570.501 and 570.504. In the event the CITY closes out an income generating project or becomes eligible to receive CDBG (and HOME and ESG, where applicable) funds as an entitlement community, any program income on hand or received subsequent to the close out or change in status shall be paid to the COUNTY.

11. The CITY hereby agrees to notify the COUNTY, in writing, of any modification or change in use of real property from that planned at the time of acquisition or improvement with CDBG (and HOME and ESG, where applicable) funds including disposition. In the event property acquired or improved with CDBG funds is sold or transferred for a use which does not qualify under the CDBG (and HOME and ESG, where applicable) regulations, the COUNTY shall be reimbursed by the CITY an amount of the fair market value equal to the portion which CDBG (and HOME, where applicable) funds represented of the initial purchase price and improvements. All program income received by the COUNTY from the disposition or transfer, or received from income generating projects

after the time when the CITY becomes an entitlement community shall be used for eligible activities within the COUNTY'S urban county program.

12. COUNTY and CITY do hereby mutually commit to take all actions necessary to assure compliance with the urban county's certification required under Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, regarding Title VI of the Civil Rights Act of 1964, The Fair Housing Act, affirmatively furthering fair housing; Section 109 of Title I of the Housing and Community Development Act of 1974, which incorporates Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975; the Americans with Disabilities Act of 1990 and other applicable laws. The parties acknowledge that the COUNTY is prohibited from funding activities in or in support of any municipality that does not affirmatively further fair housing within its own jurisdiction or impedes the COUNTY'S actions to comply with its fair housing certification.

13. As required by the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2014, Pub. L. 113-76, the CITY may not sell, trade or otherwise transfer all or any portion of such funds to another such metropolitan city, urban county, or unit of general local government, or Indian tribe, or insular area that directly or indirectly receives CDBG funds in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under Title I of the Act.

14. The CITY and the COUNTY shall only be liable for negligence under this AGREEMENT to the extent permitted under Chapter 768.28 of the Florida Statutes, as it may be amended from time to time. This section shall not be construed as waiving any defense or limitation which either party may have against any claim or cause of action by any person not a party to this AGREEMENT.

15. The term of this AGREEMENT shall extend through a period of three (3) years for Fiscal Years 2015, 2016, and 2017, commencing on October 1, 2015 and ending on September 30, 2018. In addition, this AGREEMENT will automatically be renewed for participation in successive three-year qualification periods, unless the COUNTY or the CITY provides written notice that it elects not to participate in a new qualification period. Before the end of each three-year term, the COUNTY, by the date specified in HUD's urban county qualification notice for the next qualification period, will notify the CITY, in writing, of its right not to participate in the urban county for a successive three-year term with a copy of the notification sent to the HUD Field Office.

16. Failure by either the COUNTY or the CITY to adopt an amendment to the AGREEMENT incorporating all changes necessary to meet the requirements for cooperation agreements set forth in the Urban County Qualification Notice applicable for a subsequent three-year urban county qualification period, and to submit the amendment to HUD as provided in the urban county qualification notice, will void the automatic renewal of such qualification period.

17. This AGREEMENT will remain in effect until the CDBG (and HOME and ESG, where applicable) funds and income received with respect to activities carried out during the three-year qualification period and any successive qualification periods are expended and the funded activities completed. The COUNTY or the CITY may not terminate or withdraw from the AGREEMENT while the AGREEMENT remains in effect.

18. By signing this AGREEMENT the CITY hereby verifies that it has adopted and is currently enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstration within jurisdictions.

IN WITNESS WHEREOF, the CITY and COUNTY have executed this AGREEMENT as of the date first hereintofore written.

ATTEST:

Della Kray  
Witness #1 Signature  
Della Kray  
Print or Type Name

Cheryl A DeLou  
Witness #2 Signature  
Cheryl A DeLou  
Print or Type Name

ATTEST:

Denise Schlegel  
Denise Schlegel, City Clerk

PINELLAS COUNTY, FLORIDA

A political subdivision, acting by and through its  
County Administrator

By: Mark S. Woodard  
Mark S. Woodard  
Interim County Administrator

Date: 8/1/14, 2014

CITY OF DUNEDIN, FLORIDA

BY: David Eggers  
David Eggers, Mayor

Date: 7/24/14, 2014

Counsel for the COUNTY does hereby state that the terms and provisions of this AGREEMENT are fully authorized under State and local law and that this AGREEMENT provides full legal authority for the COUNTY to undertake or assist in undertaking essential community development and housing assistance activities; specifically urban renewal and publicly assisted housing.

Michelle Wallace  
Michelle Wallace  
Senior Assistant County Attorney

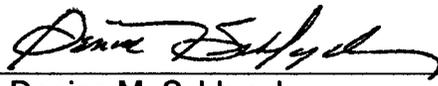
Counsel for the CITY does hereby state that the terms and provisions of this AGREEMENT are fully authorized under State and local law.

Regina A. Kardush  
City Attorney

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 24th day of July, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

**RESOLUTION 14-21**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, ADOPTING A TENTATIVE AD VALOREM PROPERTY TAX MILLAGE REQUIRED FOR THE ANNUAL BUDGET FOR FISCAL YEAR COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That a property tax millage of 3.7345 is hereby levied.

**Section 2.** That this rate is 6.12% more than the FY 2014 "rolled back rate" of 3.5191.

**Section 3.** This Resolution shall become effective immediately upon passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 18th day of September, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-22**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, ADOPTING THE TENTATIVE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**Whereas**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**Whereas**, the citizen's Board of Finances' Budget Review Committee has completed an analysis of the proposed budget and has presented their findings and comments to the City Commission; and

**Whereas**, the City Commission has reviewed and modified estimated revenue and proposed expenditures; and

**Whereas**, in compliance with Florida State "Truth-in-Millage" (TRIM) requirements, the City Commission will hold two public hearings to receive citizen comments on the proposed budget; now therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That a tentative operating/capital budget totaling \$62,615,680 as set forth in Attachment A for the various Departments and Funds of the City is hereby adopted and approved. The respective amounts set forth in Attachment A are to be appropriated from taxes or other revenues as needed for Fiscal Year commencing October 1, 2014 and ending September 30, 2015, property tax millage of 3.7345 is hereby levied.

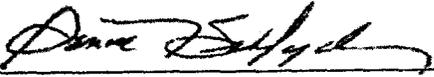
This budget is based on a 3.7345 ad valorem tax millage, which is 6.12% more than the FY 2014 "rolled back rate" of 3.5191.

**Section 2.** This Resolution shall become effective immediately upon passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 18th day of September, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

# RESOLUTION 14-22

## ATTACHMENT A

### PROPOSED BUDGET SUMMARY - FY2015 THE CITY OF DUNEDIN, FL

		General Fund FY2015	Special Revenue Funds FY2015	Enterprise Funds FY2015	Capital Project Funds FY 2015	FY2015 Totals (w/o Internal Service Funds)
<b>Beginning Reserves 10/1/2014</b>	<b>Mill Rate</b> <b>3.7345</b>	\$ 3,499,626	\$ 2,919,008	\$ 11,131,551	\$ 707	\$ 17,550,892
<b><u>ESTIMATED REVENUES:</u></b>						
Ad Valorem Taxes		\$ 6,450,624	\$ 443,874	\$ -	\$ -	\$ 6,894,498
Local Govt. 1/2 Cent Sales Tax		1,985,435	-	-	-	1,985,435
Franchise Taxes		2,654,457	3,110,190	-	-	5,764,647
Utility Services Taxes		3,137,850	-	-	-	3,137,850
Other Taxes		1,576,561	-	-	-	1,576,561
Licenses and Permits		1,042,816	-	21,943	-	1,064,759
Intergovernmental Revenue		1,347,400	1,657,668	1,420,000	-	4,425,068
Charges for Services		3,501,390	343,500	23,280,667	-	27,125,557
Fines & Forfeitures		262,761	-	152,999	-	415,760
Admin. Service Charge		1,837,214	-	-	-	1,837,214
Miscellaneous Revenues		513,261	162,934	765,942	33,495	1,475,632
Transfers In		309,400	261,859	598,300	165,000	1,334,559
Debt Proceeds/Other Non-operating		-	-	520,000	-	520,000
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>		<b>\$ 24,619,169</b>	<b>\$ 5,980,025</b>	<b>\$ 32,876,851</b>	<b>\$ 198,495</b>	<b>\$ 63,674,540</b>
<b>TOTAL ESTIMATED REVENUES AND BEGINNING RESERVES</b>		<b>\$ 28,118,795</b>	<b>\$ 8,899,033</b>	<b>\$ 44,008,402</b>	<b>\$ 199,202</b>	<b>\$ 81,225,432</b>
<b><u>EXPENDITURES/EXPENSES:</u></b>						
General Government		\$ 3,312,496	\$ 2,146,000	\$ -	\$ -	\$ 5,458,496
Public Safety		10,319,354	-	-	-	10,319,354
Culture and Recreation		8,082,311	874,946	566,690	169,000	9,692,947
Planning & Econ. Development		1,359,208	637,709	-	-	1,996,917
Streets		1,556,796	1,348,625	-	-	2,905,421
Solid Waste, Water/WW, Stormwater		-	-	26,092,152	-	26,092,152
Debt Service		-	1,823,524	3,227,310	-	5,050,834
Transfers Out		-	501,259	598,300	-	1,099,559
<b>TOTAL EXPENDITURES/EXPENSES</b>		<b>\$ 24,630,165</b>	<b>\$ 7,332,063</b>	<b>\$ 30,484,452</b>	<b>\$ 169,000</b>	<b>\$ 62,615,680</b>
<b>Ending Reserves</b>		<b>3,488,630</b>	<b>1,566,970</b>	<b>13,523,950</b>	<b>30,202</b>	<b>18,609,752</b>
<b>TOTAL APPROPRIATED EXPENDITURES AND ENDING RESERVES</b>		<b>\$ 28,118,795</b>	<b>\$ 8,899,033</b>	<b>\$ 44,008,402</b>	<b>\$ 199,202</b>	<b>\$ 81,225,432</b>

**RESOLUTION 14-23**

**Attachment A**

**Floodplain Management Plan/Local Mitigation  
Strategy  
Annual Report**

*City of Dunedin*  
***FLOODPLAIN MANAGEMENT PLAN/  
LOCAL MITIGATION STRATEGY  
ANNUAL REPORT***

*September, 2014*

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## ***INTRODUCTION***

In August of 1997, the City of Dunedin adopted a Floodplain Management Plan. This plan detailed the existing Special Flood Hazard Area, defined six repetitive loss areas and examined the numerous ways the City could alleviate and mitigate the negative effects of flooding. The first Annual Report was issued in September of 1998. The conclusions of the initial Annual Report lead to a revised Floodplain Management Plan being adopted in December of 1998.

In early 1998, the State of Florida Department of Community Affairs requested that “Pinellas County and its municipalities develop a unified, community-wide local mitigation strategy [or LMS]...aimed at the skyrocketing costs of disaster.” This LMS is “intended to provide a unified and consistent course of action needed to eliminate or reduce the impact of disasters that threaten Pinellas County and its municipalities.” Dunedin staff worked with other cities and the County throughout 1998 and into 1999 developing an LMS that was acceptable to all local governments. The LMS was approved by Resolution 99-12 by the City Commission on May 6, 1999. Pursuant to revisions in the Community Rating System’s procedures, the Local Mitigation Strategy (LMS) was submitted as a replacement to the Floodplain Management Plan in August of 2000.

In 2004, Pinellas County began an update to the LMS. This update was designed not only to revise the information to reflect existing conditions but also to meet the changes in requirements for the LMS. When the City adopted the LMS by resolution not only in support of the countywide efforts but also as the Floodplain Management Plan, it added two sections: the first described the mitigation strategies available; the second listed the approaches the City should take in an action plan.

The 2009 LMS Update focuses on updating the data and risk analyses as well as addressing the requirements identified in the most recent FEMA guidance (*Local Multi-Hazard Mitigation Planning Guidance*, July 1, 2008) specified under 44 CFR §201. According to the guidance, the most successful of mitigation plans – where practical, meaningful mitigation actions resulted – have two common elements:

- Comprehensive risk and capability assessments that form a solid foundation for decision making; and
- Participation by a wide range of stakeholders who play a role in identifying and implementing mitigation actions.

A copy of the adopted Floodplain Management Plan may be obtained from the City of Dunedin Department of Planning & Development, 737 Loudon Avenue, Dunedin, FL, 34698. Or the reader may call 298-3210 to obtain a copy. We have also posted it on the City’s website at [www.dunedingov.com](http://www.dunedingov.com).

## ***EVALUATION OF THE ACTION PLAN***

The most effective method of determining the success of the implementation of the Floodplain

Management Plan would be to list each task found in the Action Plan and present the manner in which each was addressed during the previous year.

► Preventive Activities

- Continue the extensive use of open space throughout the City and particularly within the floodplain. This includes Hammock Park, Fisher Field, the Dunedin Golf Club, St. Andrews Links, Weaver Park, and the Dunedin Youth Guild Park.

- ▷ Timetable: Ongoing

- ▷ Evaluation Criteria: Number of acres of open space within the floodplain.

- ▷ Budget: Staff time (operating funds): Parks & Recreation Department

- ▷ Evaluation: Approximately 1,365 acres of open space was estimated in 2006. While there have been land use changes to several parks, they were made to Recreation/Open Space in order to further constrain any development from occurring on the parcels. In late 2008, the City acquired a 7 acre parcel of open space and converted it into a public park, Weaver Park, which opened in 2011. In 2010, the City acquired another 4 acres of waterfront property. The Dunedin Youth Guild Park opened in July 2013 as passive open space. There are now approximately 1,376 acres of open space within the floodplain.

- Continue the enforcement of Chapter 78 of the *Dunedin Code of Ordinances* entitled “Stormwater Management,” particularly as it relates to the construction of systems regulating stormwater runoff.

- ▷ Timetable: Ongoing

- ▷ Evaluation Criteria: Most recent information on number of new developments (both residential and non-residential) installing stormwater control systems; amount of funds generated by the stormwater utility fee.

- ▷ Budget: Staff time (operating funds): Public Works Department

- ▷ Evaluation: Stormwater requirements are determined during the development review process and enforced through the City’s permitting process.

- Continue the maintenance of the City’s drainage system. This includes routine inspection, removal of debris, repairs, top and slope mowing, and aquatic maintenance.

- ▷ Timetable: Annually

- ▷ Evaluation Criteria: Most recent information on the total number of inspections and maintenance performed; most recent information on the total amount of funds expended on maintenance.

- ▷ Budget: Staff time (operating funds): Public Works Department

- ▷ Evaluation: The Division Director of the Public Works Department manages the following: debris collected, structures cleaned and repaired, ditches inspected, cleaned and mowed, and aquatic treatments.

► Property Protection Activities

- Continue the mail-out of flood proofing information to the residents of each repetitive loss area.

- ▷Timetable: Annually

- ▷Evaluation Criteria: Number of packages sent to repetitive loss area residents.

- ▷Budget: Staff time (operating funds): Planning & Development Department

- ▷Evaluation: In August 2014, every household in Dunedin received a flood and storm awareness insert, "*Hurricane Season is Flood Season: And the Risk Extends Far Inland*", as part of the Dunedin Beacon monthly local newspaper. In addition, an individual letter went out to 210 property owners in flood plain areas with a copy of this insert.

- Encourage the elevation/retrofitting of structures to FEMA requirements through the enforcement of the 50% rule, through the distribution of information to repetitive loss areas, and through obtaining federal funds for such structural work.

- ▷Timetable: Annually

- ▷Evaluation Criteria: Number of structures elevated due to the 50% rule; number of packages sent to repetitive loss area residents; amount of federal assistance secured for structural work.

- ▷Budget: Staff time (operating funds): Planning & Development Department

- ▷Evaluation: In August 2014, every household in Dunedin received a flood and storm awareness insert as part of the Dunedin Beacon monthly local newspaper. Information included newsletters describing flood insurance, preparation for emergency situations and flood proofing data. Between the dates of July 1, 2013 and June 30, 2014, there were no improvements required to meet the 50% rule standard. Also, during this same period, no Flood Mitigation Assistance Program (FMAP) agreements were signed.

- Continue providing information on the "dry flood proofing barrier" for use in repetitive loss areas.

- ▷Timetable: Annually

- ▷Evaluation Criteria: Outreach project to the community as part of Activity 330 of the Community Rating System.

- ▷Budget: Staff time (operating funds): Planning & Development Department

- ▷Evaluation: In August 2014, every household in Dunedin received a flood and storm awareness insert as part of the Dunedin Beacon monthly local newspaper. These packages included information on the installation of a "dry flood proofing barrier."

- Continue to apply the Recreation/Open Space land use designation on all of Caladesi Island and on the vast majority of Honeymoon Island.

▷ Timetable: Ongoing

Evaluation Criteria: Number of acres on the barrier islands with the Recreation/Open Space land use designation.

▷ Budget: Staff time (operating funds): Planning & Development Department

▷ Evaluation: The combined acreage of the undeveloped portions of Caladesi Island and Honeymoon Island total 1,039.

▶ Emergency Services Measures

• Continue the cooperative implementation of the Comprehensive Emergency Plan with Pinellas County.

▷ Timetable: Annually

▷ Evaluation Criteria: The tasks performed to ensure that the City is consistent with county, state and federal guidelines.

▷ Budget: Staff time (operating funds): Fire Department

▷ Evaluation: The Fire Department has ensured that its disaster procedures are consistent with county, state and federal guidelines in the past year through updating of the City Disaster Preparedness Plan and attending Loss Mitigation Strategy Committee meetings.

• Send letters to owners of structures or facilities which produce, use or store highly volatile, flammable, explosive, toxic and/or water-reactive materials. These letters should encourage the owners or operators to follow proper procedures in the event of an impending disaster.

▷ Timetable: Annually

▷ Evaluation Criteria: The number of letters sent to owners of structures or facilities which produce, use or store highly volatile, flammable, explosive, toxic and/or water-reactive materials.

▷ Budget: Staff time (operating funds): Planning & Development Department

▷ Evaluation: 30 letters were sent in June 2013 to the identified critical facilities.

• Continue the annual distribution of the *All Hazards Guide* or *Hurricane Guide* for as long as it is produced and made available to residents and local governments.

▷ Timetable: Annually

▷ Evaluation Criteria: Locations in the City where the *All Hazards Guide* or *Hurricane Guide* is made available (e.g., City Hall, Library, Sheriff's Office).

▷ Budget: Staff time (operating funds): Citywide

▷ Evaluation: Copies of Pinellas County's 2014 *Surviving the Storm* were made available at City Hall, Planning & Development, Municipal Services, the Hale Senior Activity Center, and the Community Center as well as other prominent locations all over Pinellas County including the internet.

- Continue advising the Florida Department of Transportation of the critical nature of the Alternate US 19/Curlew Road intersection. Request that some type of improvement to the elevation conditions at this location be made.

- ▷Timetable: Ongoing

- ▷Evaluation Criteria: Letters or other contacts with FDOT and their responses.

- ▷Budget: Staff time (operating funds): Planning & Development Department

- ▷Evaluation: Curlew Road has been resurfaced east of the Alternate US 19 intersection. The roadway was slated for a multi-lane improvement in the future; however, this project was removed from the FDOT's Five-Year Work Program.

►Structural Projects

- Continue the permitting of erosion protection projects as outlined in the City's Land Development Code.

- ▷Timetable: Ongoing

- ▷Evaluation Criteria: Linear feet of erosion protection permitted to be installed or repaired during the previous year.

- ▷Budget: Staff time (operating funds): Public Works Department

- ▷Evaluation: According to the Building Permit data, an estimated 755 linear feet of retaining walls on private or public property were installed or repaired during FY 2014. Since all of these were near water bodies, they could be considered as possibly related to flood protection.

- Continue the enforcement of Chapter 78 of the Dunedin Code of Ordinances entitled "Stormwater Management," particularly as it relates to the construction of systems regulating stormwater runoff.

- ▷Timetable: Ongoing

- ▷Evaluation Criteria: Number of new developments (both residential and non-residential) installing stormwater control systems, including storm sewers.

- ▷Budget: Staff time (operating funds): Public Works Department

- ▷Evaluation: The Division Director of Public Works monitors any developments which require stormwater retention.

►Public Information Activities

- Continue to provide the Map Determination Service, including the publicizing of the service.

- ▷Timetable: Ongoing

- ▷Evaluation Criteria: Number of announcements sent publicizing the service; number of map determinations provided.

- ▷Budget: Staff time, postage (operating funds): Planning & Development Department

- ▷Evaluation: In June 2014, 148 announcements were sent to insurance companies, real estate firms and financial institutions. This included businesses in Dunedin and out of state. Between August 1, 2013 and July 30, 2014, 48 map determinations were provided.
- Continue to develop and send flyers and reproducible forms to real estate agencies regarding information relating to flood hazards of property.
  - ▷Timetable: Annually
  - ▷Evaluation Criteria: Flyers and reproducible forms developed
  - ▷Budget: Staff time (operating funds): Planning & Development Department
  - ▷Evaluation: In June 2014, 11 real estate offices within the City of Dunedin were each sent a reproducible hazard disclosure form for distribution to their clients. These forms included information on the hazards of locating within the floodplain and the availability of flood insurance.
- Continue to maintain and publicize the Flood Library documents available at the Dunedin Public Library.
  - ▷Timetable: Ongoing
  - ▷Evaluation Criteria: Number and type of documents available at the Dunedin Public Library.
  - ▷Budget: Staff time (operating funds): Library
  - ▷Evaluation: There are 21 documents available in the reference section at the library. Subjects covered include retrofitting, elevating, floodplain management, flood proofing, insurance, and reducing losses due to flooding.
- Continue to provide technical assistance where possible on flood issues.
  - ▷Timetable: Ongoing
  - ▷Evaluation Criteria: Estimated number of times some type of technical assistance was provided to Dunedin residents or businesses.
  - ▷Budget: Staff time (operating funds): Public Works Department; Planning & Development Department
  - ▷Evaluation: Both the Public Works and Planning & Development Departments estimate that technical assistance was provided on at least 50 separate occasions during the last year in matters relating to elevation requirements, breakaway walls, the substantial improvement (50%) rule and other drainage issues.

## ***SUMMARY AND CONCLUSIONS***

During Fiscal Year 2014, the City has implemented its Floodplain Management Plan and continues to support all the tasks in the Community Rating System.

The City of Dunedin is a Class 6 community, allowing for a twenty (20) percent premium discount on all National Flood Insurance Program (NFIP) policies.

## **RESOLUTION 14-23**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, RECOMMENDING ADOPTION OF THE ANNUAL FLOODPLAIN MANAGEMENT PLAN UPDATE; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City of Dunedin is located in an area that is vulnerable to natural and man-made disaster; and

**WHEREAS**, the City of Dunedin supports efforts to make the community more disaster resistant, thereby reducing the costs of disasters; and

**WHEREAS**, the City of Dunedin is desirous of minimizing, alleviating and mitigating the effects of flooding to the greatest possible extent; and

**WHEREAS**, the City of Dunedin became a participant of the Community Rating System of the National Flood Insurance Program in 1991; and

**WHEREAS**, participation in this Community Rating System provides benefits to homeowners holding flood insurance policies; and

**WHEREAS**, a Repetitive Loss Property is one for which two or more claims of at least \$1,000 have been paid by the National Flood Insurance Program during a rolling ten year period; and

**WHEREAS**, a Category C Repetitive Loss Community is one with ten or more Repetitive Loss Properties; and

**WHEREAS**, as a Category C Community, the City must prepare and adopt a Floodplain Management Plan in order to remain active in the Community Rating System; and

**WHEREAS**, the City is allowed to utilize a countywide Local Mitigation Strategy as its Floodplain Management Plan however annual updates of the plan are required; now therefore,

**BE IT RESOLVED BY THE CITY OF DUNEDIN, FLORIDA, IN SESSION AND DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That the City Commission approves of the Local Mitigation Strategy developed cooperatively by the workgroup at which a City representative was present, and recommends it be adopted by the Pinellas County Board of County Commissioners.

**Section 2.** The Annual Floodplain Management Plan Annual Update shown in Exhibit "A" attached is required under the Community Rating System.

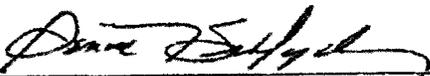
**Section 3.** That the City Clerk is directed to distribute copies of this Resolution to the Federal Emergency Management Agency and to all other concerned governmental bodies, agencies and representatives as deemed appropriate by the City Commission of the City of Dunedin.

**Section 4.** That this Resolution shall take effect immediately upon passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 18th day of September, 2014.**

  
\_\_\_\_\_  
**Dave Eggers**  
Mayor

ATTEST:

  
\_\_\_\_\_  
**Denise M. Schlegel**  
City Clerk

**RESOLUTION 14-24**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, ADOPTING AN AD VALOREM PROPERTY TAX MILLAGE REQUIRED FOR THE ANNUAL BUDGET FOR FISCAL YEAR COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That a property tax millage of 3.7345 is hereby levied.

**Section 2.** That this rate is 6.12% more than the FY 2014 "rolled back rate" of 3.5191.

**Section 3.** This Resolution shall become effective immediately upon passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 25th day of September, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-25**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, ADOPTING OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS,** the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS,** the citizen's Board of Finances' Budget Review Committee has completed an analysis of the proposed budget and has presented their findings and comments to the City Commission; and

**WHEREAS,** the City Commission has reviewed and modified estimated revenue and proposed expenditures; and

**WHEREAS** in compliance with Florida State "Truth-in-Millage" (TRIM) requirements, the City Commission has held two public hearings to receive citizen comments on the proposed budget; now therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** Operating/capital budget totaling \$62,615,680 as set forth in Attachment A for the various Departments and Funds of the City is hereby adopted and approved. The respective amounts set forth in Attachment A are to be appropriated from taxes or other revenues as needed for Fiscal Year commencing October 1, 2014 and ending September 30, 2015, property tax millage of 3.7345 is hereby levied.

This budget is based on a 3.7345 ad valorem tax millage, which is 6.12% more than the FY 2014 "rolled back rate" of 3.5191.

**Section 2.** This Resolution shall become effective immediately upon passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 25th day of September, 2014.**



Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

# RESOLUTION 14-25

## ATTACHMENT A

### PROPOSED BUDGET SUMMARY - FY2015 THE CITY OF DUNEDIN, FL

		<b>General Fund FY2015</b>	<b>Special Revenue Funds FY2015</b>	<b>Enterprise Funds FY2015</b>	<b>Capital Project Funds FY 2015</b>	<b>FY2015 Totals (w/o Internal Service Funds)</b>
<b>Beginning Reserves 10/1/2014</b>	<b>Mill Rate 3.7345</b>	\$ 3,499,626	\$ 2,919,008	\$ 11,131,551	\$ 707	\$ 17,550,892
<b><u>ESTIMATED REVENUES:</u></b>						
Ad Valorem Taxes		\$ 6,450,624	\$ 443,874	\$ -	\$ -	\$ 6,894,498
Local Govt. 1/2 Cent Sales Tax		1,985,435	-	-	-	1,985,435
Franchise Taxes		2,654,457	3,110,190	-	-	5,764,647
Utility Services Taxes		3,137,850	-	-	-	3,137,850
Other Taxes		1,576,561	-	-	-	1,576,561
Licenses and Permits		1,042,816	-	21,943	-	1,064,759
Intergovernmental Revenue		1,347,400	1,657,668	1,420,000	-	4,425,068
Charges for Services		3,501,390	343,500	23,280,667	-	27,125,557
Fines & Forfeitures		262,761	-	152,999	-	415,760
Admin. Service Charge		1,837,214	-	-	-	1,837,214
Miscellaneous Revenues		513,261	162,934	765,942	33,495	1,475,632
Transfers In		309,400	261,859	598,300	165,000	1,334,559
Debt Proceeds/Other Non-operating		-	-	520,000	-	520,000
<b>TO TAL REVENUES AND OTHER FINANCING SOURCES</b>		\$ 24,619,169	\$ 5,980,025	\$ 32,876,851	\$ 198,495	\$ 63,674,540
<b>TO TAL ESTIMATED REVENUES AND BEGINNING RESERVES</b>		\$ 28,118,795	\$ 8,899,033	\$ 44,008,402	\$ 199,202	\$ 81,225,432
<b><u>EXPENDITURES/EXPENSES:</u></b>						
General Government		\$ 3,312,496	\$ 2,146,000	\$ -	\$ -	\$ 5,458,496
Public Safety		10,319,354	-	-	-	10,319,354
Culture and Recreation		8,082,311	874,946	566,690	169,000	9,692,947
Planning & Econ. Development		1,359,208	637,709	-	-	1,996,917
Streets		1,556,796	1,348,625	-	-	2,905,421
Solid Waste, Water/WW, Stormwater		-	-	26,092,152	-	26,092,152
Debt Service		-	1,823,524	3,227,310	-	5,050,834
Transfers Out		-	501,259	598,300	-	1,099,559
<b>TO TAL EXPENDITURES/EXPENSES</b>		\$ 24,630,165	\$ 7,332,063	\$ 30,484,452	\$ 169,000	\$ 62,615,680
<b>Ending Reserves</b>		3,488,630	1,566,970	13,523,950	30,202	18,609,752
<b>TO TAL APPROPRIATED EXPENDITURES AND ENDING RESERVES</b>		\$ 28,118,795	\$ 8,899,033	\$ 44,008,402	\$ 199,202	\$ 81,225,432

## **RESOLUTION 14-26**

**A RESOLUTION OF THE CITY OF DUNEDIN, FL, AMENDING THE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS**, the City Commission now desires to revise the FY 2014 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

This Budget Amendment Resolution provides for budget transfers between funds and projects, and for various adjusting entries, as follows:

1. Appropriations resulting in net fund balance changes as follows: General Fund decrease of \$107,111, Stadium Fund increase of \$2,200, Transportation Impact Fee Fund increase of \$1,313, Water Impact Fee Fund increase of \$2,625, Sewer Impact Fee Fund increase of \$6,563, County Gas Tax Fund decrease of \$30,537, Parks & Rec Capital Projects Fund increase of \$56,650, Penny Fund increase of \$36,550, Water & Wastewater Fund decrease of \$680,037, Marina Fund increase of \$39,750, Stormwater Fund decrease of \$1,746,339, Facilities Maintenance Fund decrease of \$5,234, Community Redevelopment Agency Fund increase of \$8,063, and G. Koutsourais Fund decrease of \$3,448.
2. Appropriations in the General Fund increasing expenditures by \$140,009 and revenues by \$32,898, net \$107,111, as follows: Close out of the G. Koutsourais Fund and transfer of remaining balance of \$3,448 to the General Fund. Close out of the Donations Fund and transfer of \$29,450 to the General Fund. Increase appropriations in the General Fund by \$24,250 for Donations Fund expenses now being recognized in the General Fund. Eliminate a \$1,000 transfer budgeted from the General Fund to the Donation Fund. Increase the Commission's Aid to Private Organization budget by \$38,988 for "Dunedin Cares" and Dunedin Historical Society Aid. Appropriate \$22,771 of fund balance for the Farrar Memorial project and for a vehicle purchase with the available Lois G. Roberts Bequest funds. Appropriate \$55,000 of fund balance for a transfer to the Parks and Recreation Capital Projects Fund.

3. Reduce various project budgets in various funds by the amount of engineering allocations budgeted in those projects, a total of \$119,977. Reduce the associated engineering revenues in the Water & Wastewater Fund, along with additional engineering revenues not designated by project, for a total Water & Wastewater Fund reduction of \$680,037.
4. Increase Parks & Recreation Capital Projects Fund revenue by \$55,000 for a transfer in from the General Fund.
5. In the County Gas Tax Fund, appropriate \$35,000 for the Dunedin Fine Arts Center parking lot and driveways.
6. Remove the debt proceeds revenue budget of \$3,114,000 and associated debt service expenditures of \$224,679 in the Stormwater Fund. Decrease the Cedar Creek and Lake Sperry Cleanup projects by \$563,141 each, for a total expenditure decrease of \$1,126,282.
7. Increase Fleet Fund revenues by \$28,350 for gain on vehicle trade-ins, and increase vehicle purchase expenditures by the same amount.
8. Decrease Facilities Maintenance custodial revenue by \$5,234.
9. Appropriate \$3,448 of remaining fund balance in the G. Koutsourais Fund as a transfer to the General Fund.
10. Necessary accounting entries to affect these changes are directed.
11. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 25th day of September, 2014.**

  
\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:

  
Denise M. Schlegel  
City Clerk

# RESOLUTION 14-26

## ATTACHMENT A

City of Dunedin, FL Proposed Budget Amendment FY 2014	B.A. 14-26 9/25/2014		
Fund/Account	Project Number	Debit	Credit
<b>GENERAL FUND-001</b>			
Transfer in from Donation Fund			\$ 29,450
Transfer in from G. Koutsourais Fund			3,448
Donation Fund Expenses		24,250	
Transfer to Donation Fund			1,000
Aid to not-for-profit "Dunedin Cares"		2,500	
Dunedin Historical Society Aid		36,488	
Dunedin Library - Farrar Memorial	419903	4,099	
Dunedin Library - Lois G. Roberts Bequest / Vehicle Purchase	410205	18,672	
Transfer to Parks & Recreation CIP Fund		55,000	
<b>Decrease Fund Balance</b>			<u>107,111</u>
		<u>\$ 141,009</u>	<u>\$ 141,009</u>
<b>STADIUM FUND-111</b>			
Grandstand Improvements (Engineering)	480901		\$ 1,375
Englebert Building Sealing (Engineering)	481303		825
<b>Increase Fund Balance</b>		<u>2,200</u>	
		<u>\$ 2,200</u>	<u>\$ 2,200</u>
<b>IMPACT FEES - CITY TRANSPORTATION-112</b>			
Traffic Signal Upgrade (Engineering)	610101		\$ 263
Speed Feedback Signs (Engineering)	611301		1,050
<b>Increase Fund Balance</b>		<u>1,313</u>	
		<u>\$ 1,313</u>	<u>\$ 1,313</u>
<b>WATER IMPACT FEES-121</b>			
New Water Main Extension (Engineering)	510804		\$ 2,625
<b>Increase Fund Balance</b>		<u>2,625</u>	
		<u>\$ 2,625</u>	<u>\$ 2,625</u>
<b>SEWER IMPACT FEES-122</b>			
Sewer System Expansion (Engineering)	500201		\$ 1,313
WWTP Master Plan (Engineering)	521301		5,250
<b>Increase Fund Balance</b>		<u>6,563</u>	
		<u>\$ 6,563</u>	<u>\$ 6,563</u>
<b>COUNTY GAS TAX FUND-330</b>			
Sidewalk Rehabilitation (Engineering)	630003		\$ 2,100
Bridge Inspections (Engineering)	631001		2,363
DFAC Parking Lot & Driveways		35,000	
<b>Increase Fund Balance</b>			<u>30,537</u>
		<u>\$ 35,000</u>	<u>\$ 35,000</u>
<b>PARKS &amp; REC CIP FUND-332</b>			
Transfer from the General Fund			55,000
Boardwalks & Bridges (Engineering)	461403		1,650
<b>Increase Fund Balance</b>		<u>56,650</u>	
		<u>\$ 56,650</u>	<u>\$ 56,650</u>
<b>PENNY FUND-334</b>			
San Christopher Reconstruction (Engineering)	611303		36,550
<b>Increase Fund Balance</b>		<u>36,550</u>	
		<u>\$ 36,550</u>	<u>\$ 36,550</u>

APPENDIX A

City of Dunedin, FL  
Proposed Budget Amendment FY 2014

B.A. 14-26  
9/25/2014

Fund/Account	Project Number	Debit	Credit
<b>WATER &amp; WASTEWATER FUND-441</b>			
Engineering Allocations		680,037	
<b>Decrease Fund Balance</b>			680,037
		<u>\$ 680,037</u>	<u>\$ 680,037</u>
<b>MARINA FUND-442</b>			
Marina Pump Out (Engineering)	491201		\$ 1,500
Seawall Repairs-West (Engineering)	491401		38,250
<b>Increase Fund Balance</b>		39,750	
		<u>\$ 39,750</u>	<u>\$ 39,750</u>
<b>STORMWATER FUND-443</b>			
Stormwater Debt Proceeds		\$ 3,114,100	
New Stormwater Debt Service			224,679
Cedar Creek Cleanup	531304		563,141
Lake Sperry Cleanup	531305		563,141
Stevenson Creek TMDL (Engineering)	530905		2,100
Curlew Creek TMDL (Engineering)	531005		2,100
Cedar Creek TMDL (Engineering)	531006		2,100
Jessica Court Bank Stabilization (Engineering)	531402		5,250
Storm Drain Upgrade (Engineering)	539804		5,250
<b>Decrease Fund Balance</b>			1,746,339
		<u>\$ 3,114,100</u>	<u>\$ 3,114,100</u>
<b>FLEET FUND-550</b>			
Gain on vehicle trade-ins			\$ 28,350
Streets vehicle purchase		20,000	
Stormwater vehicle purchase		8,350	
<b>No Change to Fund Balance</b>			-
		<u>\$ 28,350</u>	<u>\$ 28,350</u>
<b>FACILITIES MAINT FUND-551</b>			
Reduce custodial revenue from Marina		\$ 5,234	
<b>Decrease Fund Balance</b>		-	5,234
		<u>\$ 5,234</u>	<u>\$ 5,234</u>
<b>COMMUNITY REDEVELOPMENT AGENCY-660</b>			
Huntley/Monroe Enhancement (Engineering)	171401		\$ 8,063
<b>Increase Fund Balance</b>		8,063	
		<u>\$ 8,063</u>	<u>\$ 8,063</u>
<b>G. KOUTSOURAIS FUND-661</b>			
Transfer to the General Fund		\$ 3,448	
<b>Decrease Fund Balance</b>			3,448
		<u>\$ 3,448</u>	<u>\$ 3,448</u>

		Increase	Decrease
Total Change to Fund Balance:	\$ (2,418,992)	\$ 153,714	\$ 2,572,706

## RESOLUTION 14-27

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, AUTHORIZING THE CITY MANAGER TO APPLY FOR ADDITIONAL GRANT FUNDS FROM THE SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT FOR THE ADDITIONAL COSTS ASSOCIATED WITH THE PROPOSED RECLAIMED WATER GROUND STORAGE TANK; FINDING THAT SUCH A PUBLIC PURPOSE WILL BE SERVED BY APPLYING FOR SUCH FUNDS; PROVIDING FOR ACCEPTANCE OF SUCH GRANTS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF**

**WHEREAS**, the City Manager has recommended to the City Commission that the City apply to the Southwest Florida Water Management District for grant funds for the purpose of reclaimed water system improvements; and

**WHEREAS**, the City Commission finds that applying for such grant funds and accomplishing the projects for which the grant funds are received serves a public purpose and will represent a benefit to the citizens of the City of Dunedin; now, therefore:

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

**Section 1.** That the City Manager is authorized to execute the application documents and to do the studies, evaluations and other matters necessary to apply for grants to the Southwest Florida Water Management District for the purpose of reclaimed water system improvements, as follows:

Foundation, site improvements and supplemental water source instrumentation associated with the proposed Reclaimed Water Ground Storage Tank, City project #521402, SWFWMD project #N555.

**Section 2.** That the City Commission of the City of Dunedin finds that a public purpose is served by applying for the aforesaid grants and making the necessary expenditures and commitments to submit such applications

**Section 3.** That the City Manager is hereby authorized to accept the grants if they are awarded on substantially the same terms and in the amount reflected in the application. In the event that there is a material difference in the terms of the grants, or in the amount of the grants awarded to the City, acceptance of the grant will be by motion of the City Commission.

**Section 4.** That this Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 25th day of September, 2014.**



\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:



\_\_\_\_\_  
Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-28**

### **A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, ACCEPTING THE EXPANSIONS OF THE DUNEDIN FINE ART CENTER CONSTRUCTED IN 2010 AND 2014; AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**

**WHEREAS**, on March 16, 1970, the City of Dunedin ("City") entered into a Lease Agreement ("1970 Agreement") with the Junior Service League of Dunedin, Inc. ("League"), wherein the City agreed to allow the League to use approximately three (3) acres of the parcel commonly known as the Otten tract located on Michigan Drive for an arts center; and

**WHEREAS**, a number of additions and expansions of the Arts Center building have occurred since the 1970 Agreement; and

**WHEREAS**, at the conclusion of the construction, whether it be considered an addition or expansion, the building would be turned over to the City by the League free and clear of any liens and encumbrances pursuant to the 1970 Agreement; and

**WHEREAS**, the City and the League entered into an additional agreement on January 21, 1974 ("1974 Agreement"); and

**WHEREAS**, the League merged into another corporation, and the duties assumed by the League were accepted and performed by Dunedin Fine Art and Cultural Center, Inc.; and

**WHEREAS**, the 1974 Agreement, as amended, was revoked and terminated pursuant to an agreement between the City and the Dunedin Fine Art and Cultural Center, Inc. on August 26, 1998 ("1998 Agreement"); and

**WHEREAS**, the Dunedin Fine Art and Cultural Center, Inc., now know as Dunedin Fine Art Center, Inc. ("DFAC"), entered into an amendment to the 1998 Agreement on March 6, 2003, and a second amendment dated June 6, 2013; and

**WHEREAS**, pursuant to the 1998 Agreement, as amended, the parties contemplated expanding the Arts Center building again; and

**WHEREAS**, upon completion of any improvements to the Arts Center building, the 1998 Agreement as amended, required the Arts Center building to be the property of the City of Dunedin; and

**WHEREAS**, the DFAC constructed two additions to the Arts Center building, one in 2010 and one in 2014; and

**WHEREAS**, the DFAC has issued its Notice of Termination of Notice of Commencement and has caused its contractor to issue a Contractor's Final Affidavit and Release of Lien, and wishes to convey the expanded Arts Center building to the City of Dunedin.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY AND REGULARLY ASSEMBLED:**

**Section 1.** That the City Commission of the City of Dunedin hereby accepts from the Dunedin Fine Art Center, Inc. the 2010 and 2014 expansions of the Arts Center building located at 1143 Michigan Boulevard, Dunedin, Florida.

**Section 2.** That this Resolution shall become effective upon its passage and adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS \_\_\_\_\_ day of \_\_\_\_\_, 2014.**

\_\_\_\_\_  
DAVE EGGERS, Mayor

ATTEST:

\_\_\_\_\_  
DENISE M. SCHLEGEL, City Clerk

## **RESOLUTION 14-29**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, APPROVING AND AUTHORIZING EXECUTION OF A MODIFICATION TO A HIGHWAY BEAUTIFICATION MAINTENANCE MEMORANDUM OF AGREEMENT WITH DISTRICT SEVEN OF THE FLORIDA DEPARTMENT OF TRANSPORTATION TO PROVIDE FOR FENCING IMPROVEMENTS ON THE WEST SIDE OF BROADWAY SOUTH OF WASHINGTON STREET; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City of Dunedin on May 2, 2006 entered into a District Seven Highway Beautification Maintenance Memorandum of Agreement for landscape improvements with the State of Florida, Department of Transportation (M.O.A. # 08-06); and

**WHEREAS**, the City of Dunedin desires to modify the Beautification Agreement by entering into a Modification to Highway Beautification Maintenance Memorandum of Agreement with the Florida Department of Transportation to provide for fencing improvements at the location of:

the west side of Broadway (State Road 595) south of Washington Street (M.P. 3.300) of State Roadway Section 15020-000 in Pinellas County, Florida

**WHEREAS**, upon installation of such improvements the City is willing to maintain the same at its sole expense and in a reasonable manner; and

**WHEREAS**, the City Commission wishes to authorize the Mayor of the City to enter into the said Modification to Highway Beautification Maintenance Memorandum of Agreement with the Florida Department of Transportation.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF DUNEDIN, FLORIDA, IN SESSION AND DULY AND REGULARLY ASSEMBLED:**

Section 1. That the Mayor is authorized to execute the Modification to Highway Beautification Maintenance Memorandum of Agreement with the State of Florida Department of Transportation as attached hereto and incorporated herein.

Section 2. That this Resolution shall take effect immediately upon its adoption.

**MODIFICATION #6 TO DISTRICT SEVEN HIGHWAY BEAUTIFICATION  
MAINTENANCE MEMORANDUM OF AGREEMENT**

THIS MODIFICATION, made and entered into as of the 20<sup>th</sup> day of October, 2014 between the STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION, (the "Department") and the CITY OF DUNEDIN, a municipal corporation of the State of Florida, existing under the Laws of Florida, (the "City");

**WITNESSETH**

WHEREAS, the Department and the City entered into a Highway Beautification Maintenance Memorandum of Agreement on May 2, 2006 (the Agreement) whereby the City agreed to install and maintain landscape improvements within the rights-of-way of State Road 595 located between Union Street (M.P. 2.080), and State Road 586 (M.P. 5.909); and State Road 580 (Skinner Boulevard) located between Broadway/Bayshore Boulevard (M.P. 0.000) and Main Street (M.P. 0.479) in Pinellas County, Florida (the "Project Highways"); and

WHEREAS, the Department and the City have agreed to modify the Agreement; and

WHEREAS, the City by Resolution No. 14-29, a copy of which is attached, has authorized its officers to execute this Modification on its behalf.

NOW THEREFORE, for and in consideration of the premises, mutual benefits, and covenants contained herein, the parties agree as follows:

1. The limits of the Project Highways are modified to include State Road 595 (Broadway), Section 15020-000 at M.P. 3.300 for fencing improvements as depicted in Exhibit "A"- 14 attached;
2. Except as specifically modified by the parties herein, all terms and provisions of the Agreement dated May 2, 2006 and subsequent amendments thereto, shall remain in full force and effect, and are hereby ratified and confirmed.
3. The City shall maintain specialty fencing improvements in accordance with the Maintenance Plan attached as Exhibit "B"-2.

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

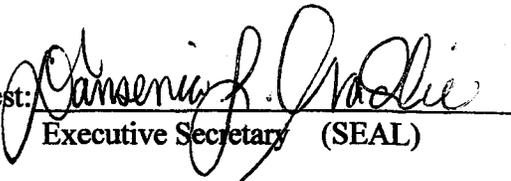
THE CITY OF DUNEDIN,  
a municipal corporation of  
the State of Florida

STATE OF FLORIDA  
DEPARTMENT OF TRANSPORTATION

By:   
The Honorable Dave Eggers,  
Mayor of the City of Dunedin

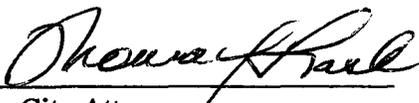
By:   
Brian McKishnie, P.E.  
Director of Transportation Operations  
District Seven

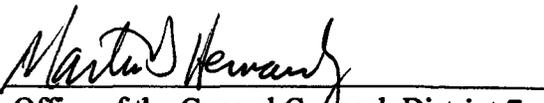
Attest:   
City Clerk (SEAL)

Attest:   
Executive Secretary (SEAL)

Legal Review

Legal Review:

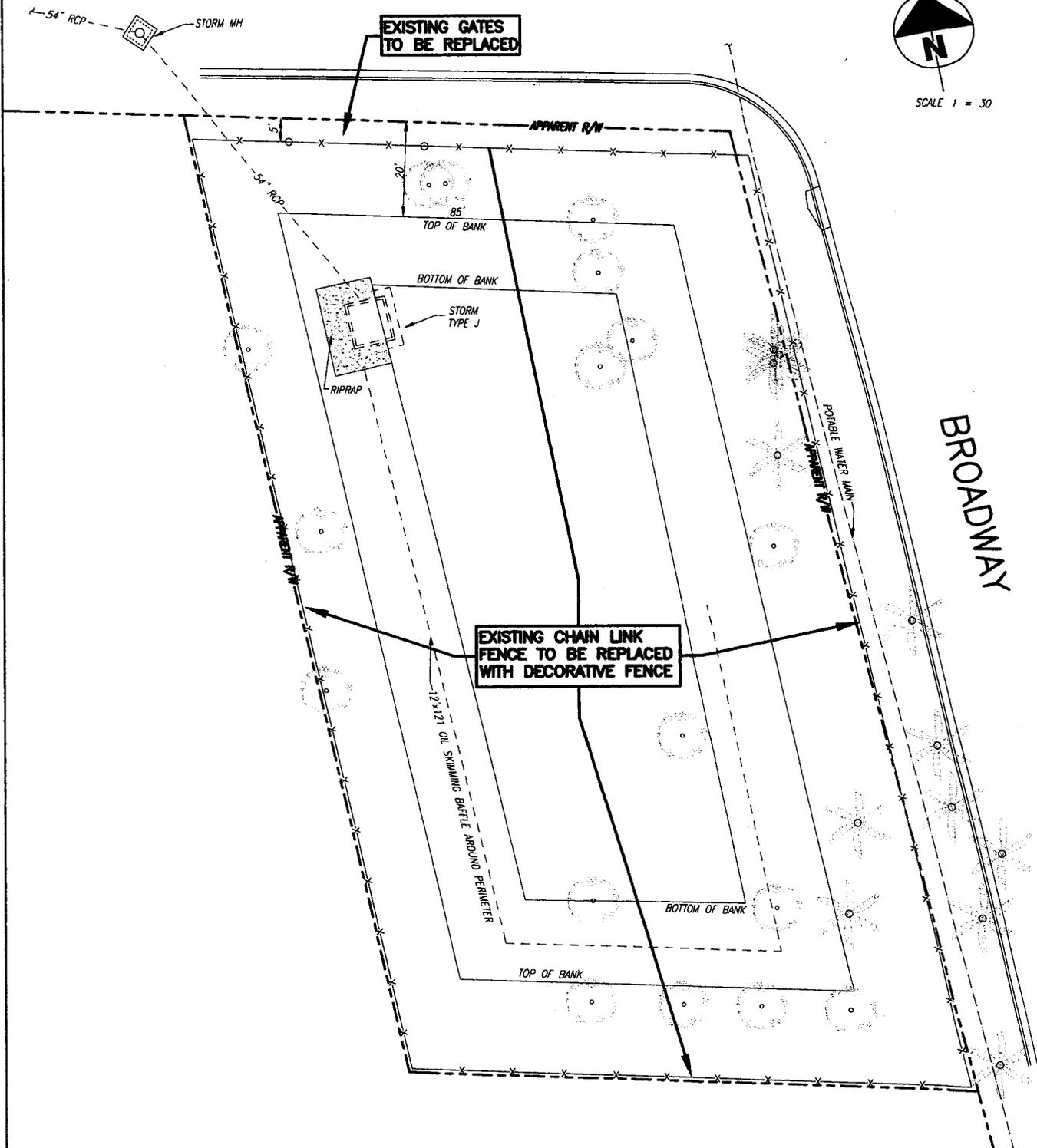
  
City Attorney

  
Office of the General Counsel, District 7

WASHINGTON ST



SCALE 1 = 30



CITY OF DUNEDIN  
 DEPARTMENT OF  
 PUBLIC WORKS & UTILITIES

(727) 298-3000  
 P.O. BOX 1348  
 DUNEDIN, FL  
 34697-1348

FENCE REPLACEMENT  
 DETENTION AREA "A"  
 WASHINGTON STREET OUTFALL

APPROVED BY

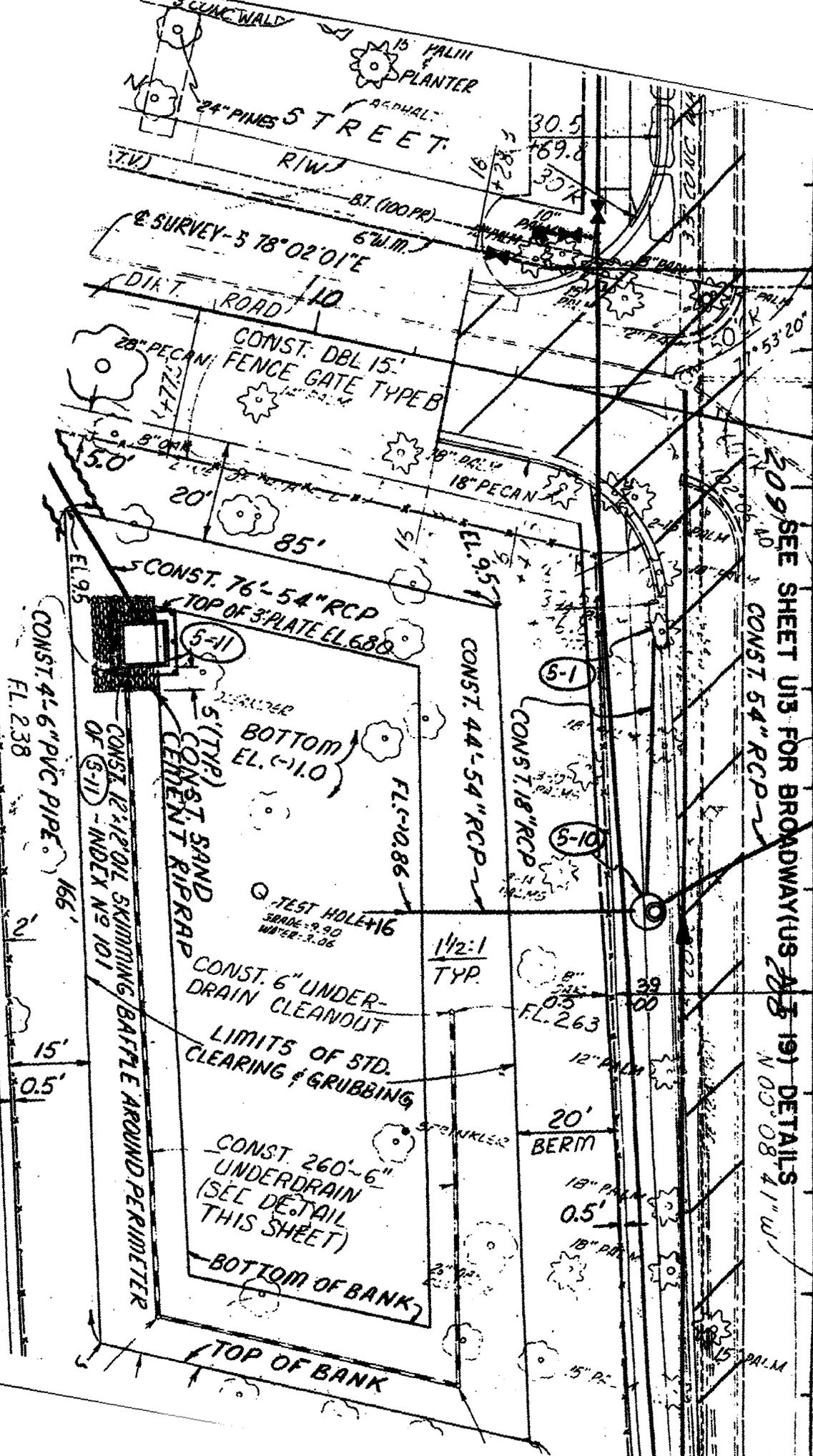
DRAWING No.

1

DATE

SHEET 1 OF 1

Exhibit "A"-14



TOP EL. 11.18  
 N. FL. 6.34  
 E. FL. (-) 10.84  
 W. FL. (-) 10.84

(5-1) STA. 208+76.8-30.  
 CONST. CURB INLET  
 INLET EL. 10.22  
 S. FL. 6.43

STA 11+00.00 & SURVEY WASHINGTON  
 STA 209+09.81 & SURVEY U.S. ALT. 19

NOTE: CONTRACTOR SHALL MAINTAIN AT LEAST ONE LANE OF TRAFFIC, & PROVIDE ACCESS TO DRIVEWAYS & WASHINGTON ST. AT ALL TIMES & L. THE CONSTRUCTION IN THIS AREA IS SELECTIVE CLEARING & GRUB.  
 NOTE: SPECIAL CARE SHALL BE TAKEN TO PRESERVE ALL TREES AND PLANTS WITHIN THE BERM AREA OF DETENTION POND, PARTICULARLY ON THE EASTERN SIDE.

SEE SHEET U13 FOR BROADWAY (US 28 19) DETAILS  
 CONST. 54" RCP  
 SURVEY 1  
 NO. 08 41" W

CONST. 4'-6" PVC PIPE  
 FL. 238  
 166'

15'  
 0.5'

CONST. 260'-6" UNDERDRAIN (SEE DETAIL THIS SHEET)  
 BOTTOM OF BANK  
 TOP OF BANK

CONST. 6" UNDERDRAIN CLEANOUT  
 LIMITS OF STD. CLEARING & GRUBBING

CONST. 44'-54" RCP  
 FL. (-) 10.86

CONST. 18" RCP  
 FL. 263

CONST. 54" RCP  
 FL. 263

CONST. 6" UNDERDRAIN CLEANOUT

CONST. 260'-6" UNDERDRAIN (SEE DETAIL THIS SHEET)

CONST. 4'-6" PVC PIPE  
 FL. 238

CONST. 18" RCP  
 FL. 263

CONST. 54" RCP  
 FL. 263

CONST. 6" UNDERDRAIN CLEANOUT

CONST. 44'-54" RCP  
 FL. (-) 10.86

CONST. 18" RCP  
 FL. 263

CONST. 54" RCP  
 FL. 263

CONST. 6" UNDERDRAIN CLEANOUT

CONST. 260'-6" UNDERDRAIN (SEE DETAIL THIS SHEET)

CONST. 4'-6" PVC PIPE  
 FL. 238

CONST. 18" RCP  
 FL. 263

CONST. 54" RCP  
 FL. 263

CONST. 6" UNDERDRAIN CLEANOUT

CONST. 44'-54" RCP  
 FL. (-) 10.86

CONST. 18" RCP  
 FL. 263

CONST. 54" RCP  
 FL. 263

CONST. 6" UNDERDRAIN CLEANOUT

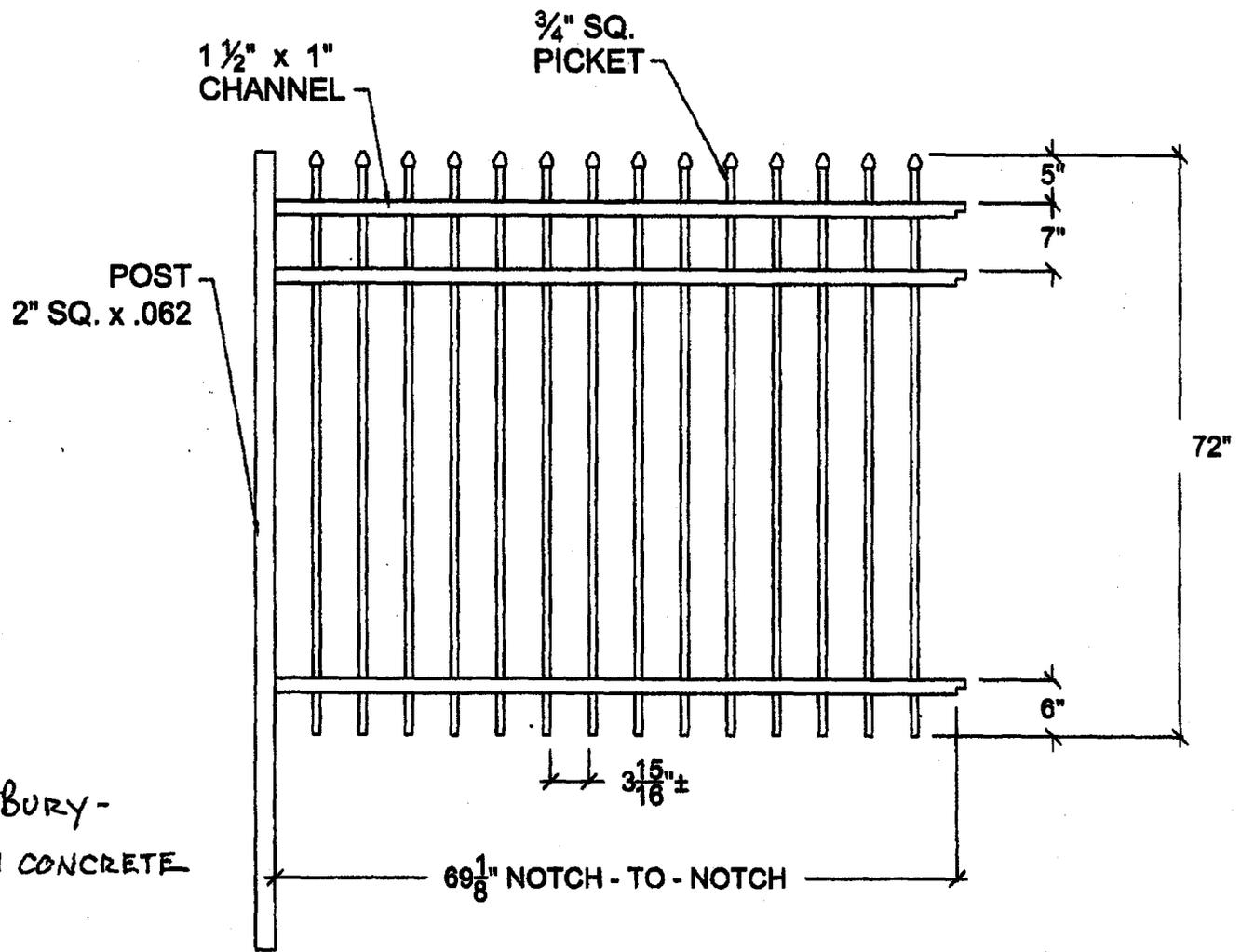
CONST. 260'-6" UNDERDRAIN (SEE DETAIL THIS SHEET)

CONST. 4'-6" PVC PIPE  
 FL. 238

CONST. 18" RCP  
 FL. 263

CONST. 54" RCP  
 FL. 263

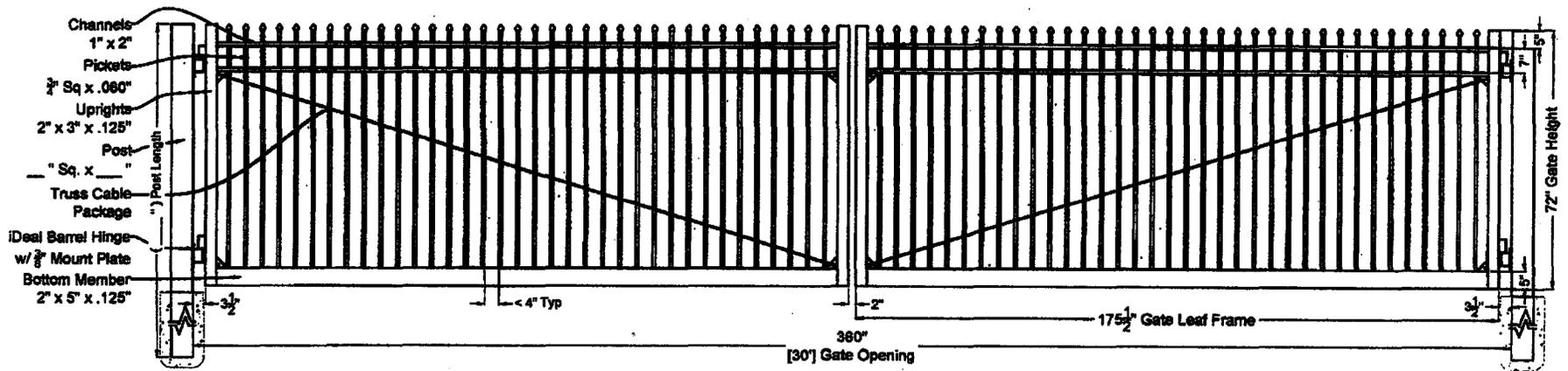
CONST. 6" UNDERDRAIN CLEANOUT



POST BURY -  
30" IN CONCRETE

203 COMMERCIAL

<b>iDeal</b> <small>aluminum fence notes 10/03</small>	Phone: 386-736-1700 / Fax: 386-822-4950 <a href="http://www.iDeal-ap.com">www.iDeal-ap.com</a>	IDeal #	Customer:	Page:
	<small>This drawing is the property of Ideal Aluminum Products. It is not to be reproduced, copied, or traced in whole or in part without written consent.</small>		Customer Signature:	Drawn By: J. Keller



**iDeal** Phone: 386-736-1700 / Fax: 386-822-4950  
 www.iDeal-ap.com  
 aluminum  
 fence gates railing

This drawing is the property of Ideal Aluminum Products.  
 It is not to be reproduced, copied, or traced  
 in whole or in part without written consent.

C\_8203\_DD360"O X 72"H

**EXHIBIT "B"-2: MAINTENANCE PLAN**  
**Fencing Improvements, SR 595 (Alt. US 19/Broadway) City of Dunedin**

The City shall at all times maintain the Project in a reasonable manner and with due care in accordance with Department Guidelines and standards. Specifically, the City agrees to:

- (a) Maintain all fencing systems as shown in Exhibit "A"-14. ;
- (b) Remove graffiti from fencing;
- (c) Repair cosmetic or structural damage to any fencing component;
- (d) Ensure the structural integrity of the fence at all times for public safety;
- (e) Be responsible to keep the fencing and its associated hardware and parts in operational conditions at all times.

# Bay Area Fence Factory

TOP QUALITY GUARANTEED LICENSE # C-7204

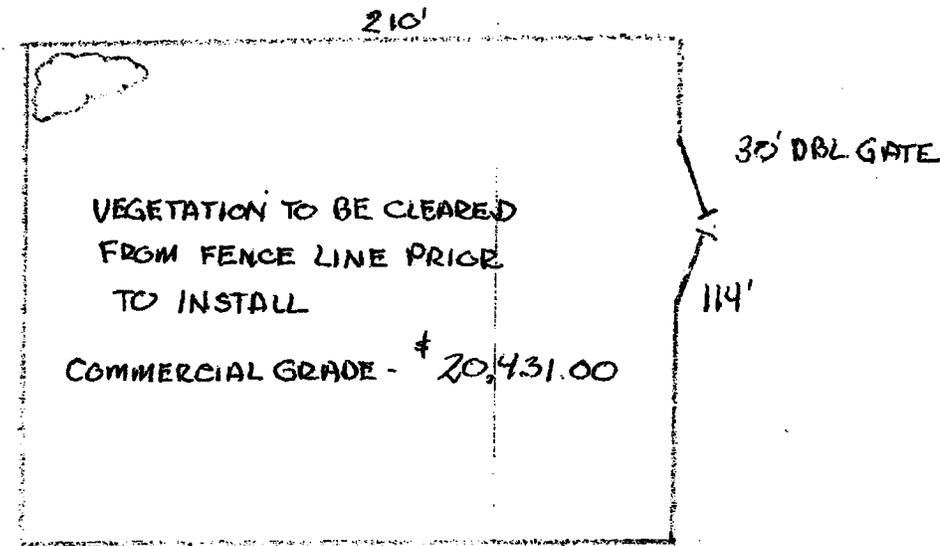
925 Harbor Lake Court, Safety Harbor, FL 34695  
 727-726-7554 - Fax 727-726-1841 - Toll Free: 1-866-726-7554  
 bayarea.fencing@verizon.net - www.BayAreaFenceFactory.com

Authorized distributors for: PT PINE & ECO-Wood - PRESERVE PLUS - ALUMI-GUARD Ornamental Aluminum Fencing  
 COUNTRY ESTATE PVC Fence & Railing - ENDURAS VINYL Fence - MERCHANTS METALS Chain Link Fence  
 IDEAL Aluminum Fence MASTER HALCO Chain Link Fence SIM STONE Simulated Stone Fence

Email tdavis@dunedin.fl.net Fax \_\_\_\_\_ Evening TREVOR DAVIS  
 CUSTOMER CITY OF DUNEDIN PHONE 298-3201  
 ADDRESS Bayside between Washington + Monroe JURISDICTION DUN  
 JOB SITE RETENTION POND FENCE ZIP CODE 34698

FENCE MATERIAL BLACK ALUMINUM STYLE FENCE COMMERCIAL GRADE 3RAK \* 203  
 LENGTH 648' HEIGHT 6' FACES \_\_\_\_\_ TO BE LEVEL Follows grade  
 WALK GATES \_\_\_\_\_ WIDTH \_\_\_\_\_ DRIVE GATES 1 WIDTH 30' GATES SWING IN  OUT  
 OTHER TEAR DOWN + REMOVE OLD CL FENCE  
 Bay Area Fence Factory is not responsible for underground facilities. (See reverse side, item 2 under Misc. for details.)

DIAGRAM AND DESCRIPTION OF WORK



I will be responsible for obtaining all necessary permits. Initial here \_\_\_\_\_

\* Price quoted good for two weeks from date of contract \*\* Permit Fee not included in total.

GUARANTEE: Fence has a 2-year parts and labor guarantee. Pressure Treated Pine and Eco Wood has a 10-year guarantee against rot and termite. Wood fences are not guaranteed against drying-out cracks or checking. Chainlink has a 5-year guarantee. Limited lifetime guarantee on Enduras Vinyl. Aluminum has a limited lifetime guarantee on finish. Country Estate Vinyl has a 50-year limited guarantee. Preserve Plus (non-arsenic) has a Lifetime Limited Warranty.

SIZE OF MATERIALS: ALUMINUM: 3/4" x 3/4" SLATS 1 5/8" x 1 1/2" STRINGERS 2 x 2 POSTS 6" x 6" GATE POSTS  
 WOOD: \_\_\_\_\_ SLATS \_\_\_\_\_ STRINGERS \_\_\_\_\_ POSTS \_\_\_\_\_  
 CHAINLINK: \_\_\_\_\_ LINE POSTS \_\_\_\_\_ TERMINAL POSTS \_\_\_\_\_ TOPRAIL \_\_\_\_\_ FABRIC \_\_\_\_\_  
 PVC: \_\_\_\_\_ SLATS \_\_\_\_\_ STRINGERS \_\_\_\_\_ POSTS \_\_\_\_\_

In consideration of the above described fencing installation to be performed by the BAY AREA FENCE FACTORY, the Customer agrees to pay the FENCE FACTORY the sum of \$ ABOVE. To be payable as follows: UPON COMPLETION  
NO TAX

In witness whereof the two parties have hereunto signed their names this 7 day of June 2014.

Bob Steele  
 Fence Factory, Inc. Authorized Signature Customer Signature

Three day right of refusal after signing of contract.

Customer Printed Name : Date

By signing above I acknowledge I have read and understood both the front and back of this contract.

PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY  
OF DUNEDIN, FLORIDA, THIS 18th day of September, 2014.



Dave Eggers  
Mayor

ATTEST:



Denise M. Schlegel  
City Clerk

## **RESOLUTION 14-30**

**A RESOLUTION OF THE CITY OF DUNEDIN, FL, AMENDING THE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS**, the City Commission now desires to revise the FY 2015 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

This Budget Amendment Resolution provides for budget transfers between funds and projects, and for various adjusting entries, as follows:

1. Appropriations in the General Fund increasing expenditures by \$229,026 and increasing revenues by \$207,725, as follows: fire/EMS/ rescue boat, trailer, boat lift and dock modifications at \$207,725, initial equipment and supplies at \$11,301 and operating costs at \$10,000; transfer in from the Penny Fund of \$179,641 and increased County Fire revenue at \$28,084, for a net fund balance decrease in the General Fund of \$21,301.
2. Appropriations in the Penny Fund increasing expenditures by a transfer out to the General Fund of \$179,641.
3. Appropriations in the Water/Wastewater Fund creating a transfer out to the Marina Fund in the amount of \$30,361.
4. Appropriations in the Marina Fund increasing expenditures by \$37,918 for a capital project - the pump out project, and increasing revenues by

\$36,418; including a transfer in from the Wastewater Fund of \$30,361, and increased grant revenues of \$6,057.

5. Necessary accounting entries to affect these changes are directed.
6. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 23rd day of October, 2014.**



Dave Eggers  
Mayor

ATTEST:



Denise M. Kirkpatrick  
City Clerk

## **RESOLUTION 14-31**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, REQUESTING THAT THE PINELLAS COUNTY BOARD OF COUNTY COMMISSIONERS EXPLORE AMENDING THE PINELLAS COUNTY EMERGENCY MEDICAL SERVICES ALS FIRST RESPONDER AGREEMENT TO PROVIDE EMERGENCY MEDICAL SERVICES FUNDING TO ASSIST THE AGENCIES THAT PROVIDE FIRST RESPONDER EMERGENCY MEDICAL SERVICES VIA WATER RESCUE VESSELS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF**

**WHEREAS**, on August 21, 2014, the City of Dunedin approved an Interlocal Agreement titled Pinellas County Emergency Medical Services ALS First Responder Agreement using Option "A" for funding; and

**WHEREAS**, the City of Dunedin realizes the increasing opportunity for its citizens and visitors to enjoy water related activities in and around the waterways of the coastline of the Gulf of Mexico; and

**WHEREAS**, the increased activities can lead to increased opportunity for emergencies, both medical and accidental to occur; and

**WHEREAS**, a total of 334 water rescue incidents occurred in Pinellas County during 2013; and

**WHEREAS**, the City of Dunedin acknowledges the importance of a swift and efficient means of performing Emergency Medical Services on all water ways within their jurisdiction; and

**WHEREAS**, the City of Dunedin requests that the Pinellas County Board of County Commissioners explore amending the Pinellas County Emergency Medical Services ALS First Responder Agreement to provide Emergency Medical Services funding to assist the agencies that provide First Responder Emergency Medical Services via water rescue vessels; and

**WHEREAS**, this funding would be used to assist with initial purchases of fire rescue boats, offset the continuing annual operational costs for this service, as well as replacement costs for vessels as needed; now, therefore:

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

**Section 1.** That the City of Dunedin requests that the Pinellas County Board of County Commissioners explore amending the Pinellas County Emergency Medical Services ALS First Responder Agreement to provide Emergency Medical Services funding to assist the agencies that provide First Responder Emergency Medical Services via fire rescue vessels.

**Section 2.** That this additional funding would be used to assist with initial purchases of fire rescue vessels, the equipment necessary to outfit the fire rescue vessels, offset the continuing annual operational costs for this service, as well as replacement costs for vessels as needed.

**Section 3.** That this Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 23rd day of October, 2014.**



\_\_\_\_\_  
Dave Eggers  
Mayor

ATTEST:



\_\_\_\_\_  
Denise M. Kirkpatrick  
City Clerk

## **RESOLUTION 14-33**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, AUTHORIZING THE CITY MANAGER TO APPLY FOR A "NO-MATCH" GRANT FOR FUNDS FROM THE FIREHOUSE SUBS PUBLIC SAFETY FOUNDATION TO PURCHASE A THERMAL NIGHT VISION CAMERA TO BE INSTALLED ON THE FIRE/EMS/RESCUE BOAT TO AID IN THE LOCATION OF VICTIMS AND OBJECTS IN THE WATER AT NIGHT; FINDING THAT A PUBLIC PURPOSE WILL BE SERVED BY APPLYING FOR SUCH FUNDS; PROVIDING FOR ACCEPTANCE OF SUCH GRANTS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Manager has recommended to the City Commission that the City apply to the Firehouse Subs Public Safety Foundation for a "No-Match" Grant funds for the purpose of purchasing a Thermal Night Vision Camera to be installed on the Fire/EMS/Rescue Boat to aid in the location of victims and objects in the water at night; and

**WHEREAS**, the City Commission finds that applying for such "No-Match" grant funds and accomplishing the projects for which the grant funds are received serves a public purpose and will represent a benefit to the citizens of the City of Dunedin; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY ASSEMBLED:**

**Section 1.** That the City Manager is authorized to execute the application documents necessary to apply for "No Match" grant from the Firehouse Subs Public Safety Foundation for the purpose of purchasing a thermal night vision camera to be installed on the fire/ems/rescue boat to aid in the location of victims and objects in the water at night.

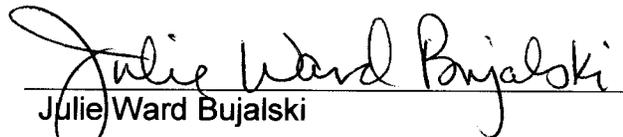
**Section 2.** That the City Commission of the City of Dunedin finds that a public purpose is served by applying for the aforesaid "No Match" grant and making the necessary expenditures and commitments to submit such applications

**Section 3.** That the City Manager is hereby authorized to accept the "No Match" grant if it is awarded on substantially the same terms and in the amount reflected in the application. In the event there is a material difference

in the terms of the grant or in the amount of the grant awarded to the City, acceptance of the grant will be by motion of the City Commission.

**Section 4.** That this Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, Florida, this 20th day of November, 2014.**

  
Julie Ward Bujalski  
Mayor

ATTEST:

  
Denise M. Kirkpatrick  
City Clerk

## **RESOLUTION 14-34**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, AUTHORIZING THE CITY MANAGER TO APPLY FOR A "NO MATCH" GRANT FOR FUNDS FROM THE AMERICAN LIBRARY ASSOCIATION FOR THE PURPOSE OF A ROMANCE WRITERS PROGRAM FOR LIBRARY PATRONS; FINDING THAT A PUBLIC PURPOSE WILL BE SERVED BY APPLYING FOR SUCH FUNDS; PROVIDING FOR ACCEPTANCE OF SUCH GRANTS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Manager has recommended to the City Commission that the City apply to the American Library Association - Public Library Association for "No-Match" Grant funds for the purpose of building or expanding its romance fiction collection and/or hosting romance fiction programming to serve our library patrons interested in the Romance genre; and

**WHEREAS**, the City Commission finds that applying for such "No- Match" grant funds and accomplishing the projects for which the grant funds are received serves a public purpose and will represent a benefit to the citizens of the City of Dunedin; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY ASSEMBLED:**

**Section 1.** That the City Manager is authorized to execute the application documents necessary to apply for "No Match" grant from the American Library Association for the purpose to build or expand its romance fiction collection and/or host romance fiction programming. The grant consists of \$4,500 to be used toward the purchase of romance fiction, author honorariums and travel expenses, and other applicable program expenses.

**Section 2.** That the City Commission of the City of Dunedin finds that a public purpose is served by applying for the aforesaid "No Match" grant and making the necessary expenditures and commitments to submit such applications.

**Section 3.** That the City Manager is hereby authorized to accept the "No Match" grant if it is awarded on substantially the same terms and in the amount reflected in the application. In the event there is a material difference in the terms of the grant or in the amount of the grant awarded to the City, acceptance of the grant will be by motion of the City Commission.

**Section 4.** That this Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, Florida, this 20th day of November, 2014.**

  
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Julie Ward Bujalski  
Mayor

ATTEST:

  
Denise M. Kirkpatrick  
City Clerk

## **RESOLUTION 14-35**

**A RESOLUTION OF THE CITY OF DUNEDIN, FL, AMENDING THE OPERATING AND CAPITAL BUDGETS FOR THE CITY OF DUNEDIN, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Commission has considered pertinent facts and data relative to municipal finance status and needs; and

**WHEREAS**, the City Commission now desires to revise the FY 2014 Operating and Capital Budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, DULY ASSEMBLED THAT:**

This Budget Amendment Resolution provides for budget transfers between funds and projects, and for various adjusting entries, as follows:

1. Appropriations in the Risk Safety Fund and the Health & Benefits Fund of \$225,000 effecting a transfer of funds from Risk Safety to Health & Benefits.
2. Appropriations in various funds and departments in the amount of \$225,000 increasing the expense budgets for Health Insurance, and an increase in revenues in the Health & Benefits Fund of \$225,000.
3. Appropriations increasing revenue in the General Fund by \$88,030 and Health Insurance costs by \$167,613, in addition the amounts above in item 2.
4. Appropriations to move the Stirling Golf Course Fund to the General Fund.

5. Appropriations to recognize grant revenue in the Penny Fund in the amount of \$205,500.
6. Necessary accounting entries to affect these changes are directed.
7. This Resolution shall become effective immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, THIS 20th day of November, 2014.**

  
Julie Ward-Bujalski  
Mayor

ATTEST:

  
Denise M. Kirkpatrick  
City Clerk

RESOLUTION 14-36

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, SUPPLEMENTING AND AMENDING RESOLUTION NO. 2012-18; AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$6,600,000 IN AGGREGATE PRINCIPAL AMOUNT OF ITS STORMWATER SYSTEM REVENUE BONDS, SERIES 2014 FOR THE PURPOSE OF FINANCING THE COST OF IMPROVEMENTS TO THE STORMWATER SYSTEM AND PAYING COSTS RELATED THERETO, SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS CONTAINED HEREIN; FIXING CERTAIN TERMS AND DETAILS OF SUCH BONDS; APPROVING THE FORM OF THE PURCHASE CONTRACT, PRELIMINARY OFFICIAL STATEMENT, AND CONTINUING DISCLOSURE CERTIFICATE AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE PURCHASE CONTRACT, OFFICIAL STATEMENT AND CONTINUING DISCLOSURE STATEMENT FOR THE SERIES 2014 BONDS; APPOINTING A PAYING AGENT AND REGISTRAR FOR THE SERIES 2014 BONDS; DELEGATING AUTHORITY TO THE MAYOR TO AWARD THE SALE OF THE SERIES 2014 BONDS TO THE UNDERWRITER NAMED HEREIN PURSUANT TO A NEGOTIATED SALE AND SUBJECT TO THE CONDITIONS AND TERMS SET FORTH HEREIN AND IN THE PURCHASE CONTRACT; AUTHORIZING THE CITY TO OPT TO INSURE ALL, A PORTION OF OR NONE OF THE SERIES 2014 BONDS WITH A POLICY OF FINANCIAL GUARANTY INSURANCE, WHICHEVER IS IN THE BEST FINANCIAL INTEREST OF THE CITY; MAKING SUCH DETERMINATIONS AS ARE REQUIRED TO AFFORD SUCH BONDS "BANK QUALIFIED" STATUS; AUTHORIZING OTHER REQUIRED ACTIONS; APPROVING THE FORM OF AND AUTHORIZING EXECUTION OF AN AMENDED AND RESTATED STORMWATER SYSTEM

REFUNDING REVENUE BOND, SERIES 2012;  
AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission (the "City Commission") of the City of Dunedin, Florida (the "Issuer") adopted Resolution No. 2012-18 on May 17, 2012 (the "Master Resolution," and as amended and supplemented hereby, the "Resolution") which authorized the issuance of revenue bonds for purposes of financing or refinancing improvements to the Stormwater System; and

WHEREAS, all capitalized undefined terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution; and

WHEREAS, pursuant to the Resolution, on May 17, 2012, the Issuer issued \$5,876,000 in original principal amount of its Stormwater System Refunding Revenue Bond, Series 2012 (the "Series 2012 Bond"); and

WHEREAS, the Issuer has determined to (1) supplement the Resolution to authorize issuance of the Stormwater System Revenue Bonds, Series 2014 (the "Series 2014 Bonds") as Additional Parity Obligations, and (2) amend the Resolution to correct a scrivener's error, update the defined terms "City Attorney" and "Financial Advisor," and revise certain covenants set forth therein with respect to the payment, collection and enforcement of charges for use of the System by the School District of Pinellas County, Florida; and

WHEREAS, the Master Resolution provides that the Issuer may amend the Master Resolution upon written consent of the Holders of Bonds then Outstanding; and

WHEREAS, the Series 2014 Bonds are being issued to: (i) finance and/or reimburse all or a portion of the costs of designing, acquiring and constructing various capital improvements to the System (the "2014 Project"), and (ii) pay the costs of issuance of the Series 2014 Bonds including, without limitation, the premium for a Bond Insurance Policy, if any; and

WHEREAS, Piper Jaffray & Co. (the "Underwriter") has indicated a willingness to enter into the hereinafter defined Purchase Contract with the Issuer pursuant to which the Underwriter will agree to purchase the Series 2014 Bonds; and

WHEREAS, due to the present volatility of the market for tax-exempt public obligations such as the Series 2014 Bonds, the need to access such market very quickly, the willingness of the Underwriter to purchase the Series 2014 Bonds at interest rates favorable to the Issuer, and the critical importance of timing of the sale of the Series 2014 Bonds, the Issuer has determined to sell the

Series 2014 Bonds through a negotiated sale to the Underwriter, and it is hereby determined that it is in the best interest of the public and the Issuer to delegate to the Mayor the authority to fix the final details of the Series 2014 Bonds, based upon the advice of the Financial Advisor, and accept the offer of the Underwriter to purchase the Series 2014 Bonds at a negotiated sale pursuant to the terms of a Purchase Contract, the form of which is attached hereto as Exhibit A (the "Purchase Contract"), if certain conditions set forth in this resolution are satisfied; and

WHEREAS, prior to acceptance by the Issuer of the offer of the Underwriter to purchase the Series 2014 Bonds, the Underwriter will provide the Issuer with all applicable disclosure information required by Section 218.385, Florida Statutes, to be attached to, or otherwise included as part of, the Purchase Contract; and

WHEREAS, this resolution shall constitute a Supplemental Resolution for purposes of the Resolution; and

WHEREAS, the Series 2014 Bonds will be secured by a lien on the Pledged Revenues and, upon issuance of the Series 2014 Bonds, the Pledged Revenues will not be pledged or encumbered in any manner except to the Series 2012 Bond and the Series 2014 Bonds in the manner and to the extent described in the Resolution; and

WHEREAS, because of current volatile market conditions and conditions surrounding the current credit ratings of the various municipal bond insurance companies, the Issuer desires to opt to insure some, all or none of the Series 2014 Bonds, whichever is in the best financial interests of the Issuer based on the advice of the Financial Advisor, with a policy of financial guaranty insurance, and to authorize the Mayor, based on the advice of the Financial Advisor, to take any actions and do all things necessary in order to accept any such policy in connection with the issuance of the Series 2014 Bonds; and

WHEREAS, in connection with the offering and sale of the Series 2014 Bonds, the Issuer desires to approve the distribution of the Preliminary Official Statement, a form of which is attached hereto as Exhibit B, and delegate to the Director of Finance the authority to deem the Preliminary Official Statement "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") and to execute and deliver a final Official Statement with respect to the Series 2014 Bonds (the "Official Statement"); and

WHEREAS, the Issuer desires to appoint a registrar and paying agent with respect to the Series 2014 Bonds and authorize the execution and delivery of

a Registrar and Paying Agent Agreement to be prepared by Bond Counsel (the "Registrar and Paying Agent Agreement"); and

WHEREAS, in connection with its continuing disclosure obligations under the Rule, the Issuer desires to approve the form of, and authorize the execution and delivery of, a Continuing Disclosure Certificate in connection with the offering and sale of the Series 2014 Bonds, a form of which is attached hereto as Exhibit C (the "Continuing Disclosure Certificate"); and

WHEREAS, the Issuer desires to make such determinations as are required to afford the Series 2014 Bonds "bank qualified" status for purposes of Section 265(b)(3) of the Code; and

WHEREAS, the Issuer further desires to amend and restate the Series 2012 Bond in order to limit the remedy of acceleration thereunder to those Events of Default comprising payment defaults and/or acts of bankruptcy on the part of the Issuer; and

WHEREAS, the Holder of the Series 2012 Bond has given its consent for such amendments to the Resolution and the amendment and restatement of the Series 2012 Bond.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, as follows:

SECTION 1. Authority for this Resolution. This resolution is adopted pursuant to the provisions of the Act.

SECTION 2. Approval of Issuance of Series 2014 Bonds.

(A) There is hereby authorized to be issued Bonds designated as "City of Dunedin, Florida Stormwater System Revenue Bonds, Series 2014" for the purpose of (i) financing and/or reimbursing all or a portion of the Costs of the 2014 Project, and (ii) paying the costs of issuance of the Series 2014 Bonds including, without limitation, the premium for a Bond Insurance Policy, if any, in the aggregate principal amount of not to exceed \$6,600,000. The Issuer hereby delegates to the Mayor the authority to determine the final terms of the Series 2014 Bonds, based upon the advice of the Financial Advisor, including (i) the dated date, (ii) the principal amount and whether the Series 2014 Bonds shall be issued as Serial Bonds and/or Term Bonds, (iii) the maturity dates and amounts, (iv) the interest rates, prices and yields, and Interest Dates, (v) the optional redemption features, if any, (vi) the Amortization Installments and other mandatory redemption features, if any, (vii) the sale date and the delivery date,

(viii) all other details of the Series 2014 Bonds, and to take such further action as shall be required for carrying out the purposes of this resolution all with respect to the Series 2014 Bonds.

(B) Because of the characteristics of the Series 2014 Bonds, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Series 2014 Bonds, it is in the best interest of the Issuer to accept the offer of the purchaser of the Series 2014 Bonds at a private negotiated sale.

(C) All covenants contained in the Resolution with respect to the Bonds shall be applicable to the Series 2014 Bonds.

### SECTION 3. Description of the Series 2014 Bonds.

(A) The Series 2014 Bonds shall be issued hereunder in fully registered form without coupons; may be Capital Appreciation Bonds, Serial Bonds or Term Bonds; shall be dated; may be numbered consecutively from one upward in order of maturity preceded by the letter "R" if Serial Bonds or Term Bonds, and preceded by the letters "CABR" if Capital Appreciation Bonds; shall be in the denomination of \$5,000 each, or integral multiples thereof for the Serial Bonds and Term Bonds, and in \$5,000 Accreted Values at maturity for the Capital Appreciation Bonds or in \$5,000 multiples thereof, or such other denominations as shall be approved by the Issuer in a Supplemental Resolution prior to the delivery of such Series 2014 Bonds shall bear interest at such rate or rates not exceeding the maximum rate allowed by State law, the actual rate to be determined as provided herein; such interest to be payable semiannually at such times as are provided herein if Serial Bonds or Term Bonds or payable at maturity if Capital Appreciation Bonds, and shall mature annually on such date in such years and such amounts as will be determined as provided herein, and may be issued with variable, adjustable, convertible or other rates with original issue discounts and as zero coupon bonds; all as the Issuer shall determine as provided herein.

Each Serial or Term Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated, unless authenticated on an interest payment date, in which case it shall bear interest from such interest payment date, or, unless authenticated prior to the first interest payment date, in which case it shall bear interest from its date; provided, however, that if at the time of authentication, payment of any interest which is due and payable has not been made, such Serial or Term Bond shall bear interest from the date to which interest shall have been paid.

Each Capital Appreciation Bond shall bear interest only at maturity or upon redemption prior to maturity in the amount determined by reference to the Accreted Value.

The principal of and the interest and redemption premium, if any, on such Series 2014 Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The interest on the Serial or Term Bonds shall be payable by the Paying Agent on each interest payment date, or the first business day following an interest payment date if such interest payment date is not a business day, to the Person appearing on the registration books of the Issuer hereinafter provided for as the registered Holder thereof, by check or draft mailed to such registered Holder at his address as it appears on such registration books or by wire transfer to Holders of \$1,000,000 or more in principal amount of such Series 2014 Bonds. Payment of the principal of all Serial or Term Bonds (reduced by any Amortization Installments previously paid by the Issuer on any Term Bonds) and the Accreted Value with respect to the Capital Appreciation Bonds shall be made upon the presentation and surrender of such Series 2014 Bonds as the same shall become due and payable.

As long as any such Series 2014 Bonds are outstanding in book-entry form, the provisions of this Resolution inconsistent with such system of book-entry registration shall not be applicable to such Series 2014 Bonds, and the Issuer covenants to cause adequate records to be kept with respect to the ownership of such Series 2014 Bonds issued in book-entry form or the beneficial ownership of bonds issued in the name of a nominee.

(B) The Issuer may change such series designations in the event the total authorized amount of Series 2014 Bonds is not issued in calendar year 2014

SECTION 4. Award of Sale of the Series 2014 Bonds; Execution of Purchase Contract. Due to the willingness of the Underwriter to purchase the Series 2014 Bonds at interest rates favorable to the Issuer, the present volatility of the market for tax-exempt public obligations such as the Series 2014 Bonds and the critical importance of timing of the sale of the Series 2014 Bonds, the Issuer hereby approves the negotiated sale of the Series 2014 Bonds to the Underwriter and delegates to the Mayor the authority to accept the offer of the Underwriter to purchase the Series 2014 Bonds and to execute and deliver, on behalf of the Issuer, the Purchase Contract, in the form attached hereto as Exhibit A, which form is hereby approved; provided, however, that the Mayor shall not have the authority to execute and deliver the Purchase Contract, unless the Mayor shall have received from the Underwriter (i) all applicable disclosure information required by Section 218.385, Florida Statutes, and (ii) such other information as

the Mayor shall deem necessary, upon the advice of the Financial Advisor, which demonstrates to the Mayor that (A) the aggregate principal amount of the Series 2014 Bonds is not in excess of \$6,600,000, (B) the final maturity of the Series 2014 Bonds is not later than October 1, 2044, (C) the underwriting discount is not greater than 0.495% of the original principal amount of the Series 2014 Bonds, and (D) the true interest cost rate on the Series 2014 Bonds is not greater than 4.75%.

All actions of the Mayor taken pursuant to the authority of this resolution shall be evidenced by the execution and delivery of the Purchase Contract, which shall be filed with the City Clerk. The execution and delivery of the Purchase Contract shall constitute complete evidence of the actions of the Mayor and shall constitute the action of the Issuer. Subject to satisfaction of the conditions in this Section 4, the Mayor is hereby authorized and directed to execute and deliver, and the City Clerk is hereby authorized to attest under seal, the Purchase Contract. The execution and delivery thereof in the manner described in the preceding sentence shall constitute complete approval of such Purchase Contract by the Issuer, including any changes to the form attached hereto as Exhibit A, and shall be deemed to be a part of this instrument as fully and to the same extent as if incorporated verbatim herein.

SECTION 5. Authorization of Series 2014 Bonds and 2014 Project. Subject and pursuant to the provisions hereof, obligations of the Issuer to be known as "Stormwater System Revenue Bonds, Series 2014" are authorized to be issued in the aggregate principal amount of not to exceed \$6,600,000. The 2014 Project is hereby authorized.

SECTION 6. Book Entry System for Series 2014 Bonds. The Issuer has previously executed a blanket letter of representation dated July 17, 2005 (the "Letter of Representation") with The Depository Trust Company ("DTC"). It is intended that the Series 2014 Bonds be registered so as to participate in a global book-entry system with DTC as set forth herein and in such Letter of Representation. The Series 2014 Bonds shall be initially issued in the form of a single fully registered Series 2014 Bond for each maturity. Upon initial issuance, the ownership of such Series 2014 Bonds shall be registered by the Registrar and Paying Agent in the name of Cede & Co., as nominee for DTC. With respect to Series 2014 Bonds registered by the Registrar and Paying Agent in the name of Cede & Co., as nominee of DTC, the Issuer and the Registrar and Paying Agent shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Series 2014 Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a "Depository Participant") or to any Person on behalf of whom such a Depository Participant holds an interest in the Series 2014 Bonds

(each such Person being herein referred to as an "Indirect Participant"). Without limiting the immediately preceding sentence, the Issuer and the Registrar and Paying Agent shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to the ownership interest in the Series 2014 Bonds, (b) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a registered owner of a Series 2014 Bond as shown in the bond register, of any notice with respect to the Series 2014 Bonds, including any notice of redemption, if applicable, or (c) the payment to any Depository Participant or Indirect Participant or any other Person, other than a registered owner of a Series 2014 Bond as shown in the bond register, of any amount with respect to principal of, premium, if any, or interest on, if applicable, the Series 2014 Bonds. No Person other than a registered owner of a Series 2014 Bond as shown in the bond register shall receive a Series 2014 Bond certificate with respect to any Series 2014 Bond. Upon delivery by DTC to the Registrar and Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions hereof with respect to the payment of interest by the mailing of checks or drafts to the registered owners of Series 2014 Bonds appearing as registered owners in the registration books maintained by the Registrar and Paying Agent at the close of business on a regular record date, the name "Cede & Co." in this resolution shall refer to such new nominee of DTC.

In the event that (a) the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Letter of Representation, (b) the agreement among the Issuer, the Registrar and Paying Agent and DTC evidenced by the Letter of Representation shall be terminated for any reason or (c) the Issuer determines that it is in the best interests of the beneficial owners of the Series 2014 Bonds that they be able to obtain certificated Series 2014 Bonds, the Issuer shall notify DTC of the availability through DTC of Series 2014 Bond certificates and the Series 2014 Bonds shall no longer be restricted to being registered in the bond register in the name of Cede & Co., as nominee of DTC, but only in accordance with the Letter of Representation. At that time, the Issuer may determine that the Series 2014 Bonds shall be registered in the name of and deposited with a successor depository operating a universal book-entry system, as may be acceptable to the Issuer, or such depository's agent or designee, and if the Issuer does not select such alternate universal book-entry system, then the Series 2014 Bonds may be registered in whatever name or names registered owners of Series 2014 Bonds transferring or changing Series 2014 Bonds designate, in accordance with the provisions hereof. Notwithstanding any other provision of the Resolution to the contrary, so long as any Series 2014 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on, if applicable, such Series 2014 Bond and all notices with respect to such Series

2014 Bond shall be made and given, respectively, in the manner provided in the Letter of Representation.

As long as any Series 2014 Bonds are outstanding in book-entry form, the provisions of the Resolution inconsistent with such system of book-entry registration shall not be applicable to such Series 2014 Bonds, and the Issuer covenants to cause adequate records to be kept with respect to the ownership of any Series 2014 Bonds issued in book-entry form or the beneficial ownership of Series 2014 Bonds issued in the name of a nominee.

SECTION 7. Application of Series 2014 Bond Proceeds. The proceeds, including any accrued interest received from the sale of the Series 2014 Bonds, shall be applied by the Issuer as follows:

(A) Accrued interest, if any, shall be deposited in the Interest Account in the Bond Service Fund, and shall be used only for the purpose of paying interest becoming due on the Series 2014 Bonds.

(B) The Issuer shall pay all costs and expenses in connection with the preparation, issuance and sale of the Series 2014 Bonds.

(C) The balance of said proceeds shall be deposited in the Series 2014 Project Account in the Project Fund which is hereby created and (which shall be held solely for the benefit of the Holders of the Series 2014 Bonds) to be used to pay all or a portion of the Costs of the 2014 Project.

SECTION 8. Master Resolution Amendment. The following amendments to the Master Resolution are being made pursuant to Sections 22 and 23 of the Master Resolution. By purchasing the Series 2014 Bonds, the Holders thereof shall be deemed to have consented to the amendments to the Master Resolution set forth below. The Issuer has received the written consent of the Holder of the Series 2012 Bond for the amendments to the Master Resolution set forth below. The following amendments to the Master Resolution are hereby adopted:

(A) The definition of "City Attorney" set forth in Section 2 of the Master Resolution is hereby amended and restated in its entirety as follows:

"City Attorney" shall mean Thomas J. Trask, Esquire of Trask, Metz & Daigneault L.L.P., or any of his partners, or any attorney at law or firm of attorneys duly admitted to practice law before all courts of the State of Florida and appointed from time to time by the Issuer.

(B) The definition of "Financial Advisor" set forth in Section 2 of the Master Resolution is hereby amended and restated in its entirety as follows:

"Financial Advisor" shall mean D.A. Davidson & Co., or any other financial advisor appointed from time to time by the Issuer.

(C) Section 16(C) of the Master Resolution is hereby amended and restated as follows, with additional text indicated by underline and deleted text indicated by strikethrough:

(C) The "City of Dunedin Stormwater System Reserve Fund" (hereinafter sometimes called the "Reserve Fund") to be held by the Issuer and to the credit of which deposits shall be made as required by Section 20(B)(3)~~Section 20(B)(2)~~ hereof. In such fund there may hereafter be established subaccounts pursuant to Supplemental Resolution.

(D) Sections 20(H), (I) and (J) are hereby amended and restated as follows, with additional text indicated by underline and deleted text indicated by strikethrough:

(H) NO FREE SERVICE. So long as any Bonds are outstanding, the Issuer shall not furnish or supply the facilities, services and commodities of the System either free of charge or for a nominal charge to any person, firm or corporation, public or private, including the Issuer's departments, agencies and instrumentalities which avail themselves of the services of the System.~~The; provided, however, unless the School District of Pinellas County, Florida (the "District") consents in writing to paying more than a nominal charge, the District may be provided service for free to the extent required by applicable law. Except relating to the District, the~~ Issuer shall promptly enforce the payment of any and all accounts owing to the Issuer and delinquent, by discontinuing service or by filing suits, actions or proceedings, or by both discontinuance of service and filing suit. Notwithstanding anything herein to the contrary, without obtaining the written consent of any Bondholder or Insurer, the Issuer may amend this subsection (H) to eliminate the exception applicable to the District described above if a change in law occurs that

permits the Issuer to charge the District more than a nominal charge absent the consent of the District.

(I) MANDATORY CUT OFF. The Except relating to the District, the Issuer shall establish a written policy consistent with sound business judgment for the disconnection from the System of any customer who fails to pay for services rendered by the System, and shall enforce such policy diligently and fairly. Notwithstanding anything herein to the contrary, without obtaining the written consent of any Bondholder or Insurer, the Issuer may amend this subsection (I) to eliminate the exception applicable to the District described above if a change in law occurs that permits the Issuer to charge the District more than a nominal charge absent the consent of the District.

(J) ENFORCEMENT OF COLLECTIONS. The Except relating to the District, the Issuer will diligently enforce and collect the rates, fees and other charges for the services and facilities of the System and will take all steps, actions and proceedings for the enforcement and collection of such rates, charges and fees as shall become delinquent to the full extent permitted or authorized by law; and will maintain accurate records with respect thereof. All such fees, rates, charges and revenues shall, as collected, be held in trust to be applied as herein provided. Notwithstanding anything herein to the contrary, without obtaining the written consent of any Bondholder or Insurer, the Issuer may amend this subsection (J) to eliminate the exception applicable to the District described above if a change in law occurs that permits the Issuer to charge the District more than a nominal charge absent the consent of the District.

SECTION 9. Reserve Fund. The Issuer hereby determines that the Reserve Fund shall not secure the Series 2014 Bonds. The Issuer may establish an account or accounts in the Reserve Fund to secure such Additional Parity Obligations, with details to be established in the Supplemental Resolution which authorizes such Additional Parity Obligations.

SECTION 10. Approval of Distribution of Preliminary Official Statement and Authorization of Final Official Statement. The preparation and distribution of the Preliminary Official Statement relating to the Series 2014 Bonds, in the

form attached hereto as Exhibit B, is hereby approved and authorized. The Director of Finance is hereby authorized to execute and deliver a certificate of the Issuer which deems such Preliminary Official Statement "final" within the contemplation of the Rule. Such Preliminary Official Statement is hereby authorized to be used and distributed in connection with the sale and marketing of the Series 2014 Bonds. The distribution of the final Official Statement relating to the Series 2014 Bonds is hereby authorized, and the execution of such Official Statement by the Mayor is hereby authorized, which execution and delivery shall constitute complete evidence of the approval of such final Official Statement by the Issuer.

SECTION 11. Appointment of Registrar and Paying Agent: Authorization of Execution and Delivery of Registrar and Paying Agent Agreement. The Bank of New York Mellon Company, N.A. is hereby appointed to serve as Registrar and Paying Agent with respect to the Series 2014 Bonds (the "Series 2014 Paying Agent and Registrar"). The Series 2014 Registrar and Paying Agent shall perform such duties as are more fully described in the Resolution and an agreement to be entered into with the Issuer in connection with the Series 2014 Bonds.

The Series 2014 Registrar and Paying Agent shall fulfill such functions with respect to the Registrar and Paying Agent Agreement until a qualified successor shall have been designated by the Issuer and accepts such duties, such designation to be subject to written notice to the Series 2014 Registrar and Paying Agent, or until the Series 2014 Bonds have been paid in full pursuant to the Resolution.

The Registrar and Paying Agent Agreement shall be executed in the name of the Issuer by the Mayor, such signatures to be attested and countersigned by the City Clerk, the official seal of the Issuer to be imprinted thereon, with such additional changes and insertions therein as are subsequently approved, and such execution and delivery shall be conclusive evidence of the approval thereof by such officers.

SECTION 12. Continuing Disclosure. The Issuer hereby covenants and agrees that, in order to assist the Underwriter in complying with the continuing disclosure requirements of the Rule with respect to the Series 2014 Bonds, it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the Issuer prior to the time the Issuer delivers the Series 2014 Bonds to the Underwriter, as may be amended from time to time in accordance with the terms thereof. The form of the Continuing Disclosure Certificate, attached hereto as Exhibit C is hereby approved and ratified, all of the provisions of which, when executed and delivered by the Issuer as authorized herein shall be deemed to be a part of this instrument as fully and to

the same extent as if incorporated verbatim herein. Notwithstanding any other provision of the Resolution, failure of the Issuer to comply with such Continuing Disclosure Certificate shall not be considered an event of default under the Resolution. However, the Continuing Disclosure Certificate shall be enforceable by the Series 2014 Bondholders in the event that the Issuer fails to cure a breach thereunder within a reasonable time after written notice from a 2014 Bondholder to the Issuer that a breach exists. Any rights of the Series 2014 Bondholders to enforce the provisions of this covenant shall be on behalf of all Series 2014 Bondholders and shall be limited to a right to obtain specific performance of the Issuer's obligations thereunder.

The Continuing Disclosure Certificate shall be executed in the name of the Issuer by the Mayor, to be attested and countersigned by the City Clerk under seal, with such additional changes and insertions therein as are subsequently approved, and such execution and delivery shall be conclusive evidence of the approval thereof by such officers.

SECTION 13. Optional Financial Guaranty Insurance. The Issuer is hereby authorized to insure all, some or none of the Series 2014 Bonds, whichever is in the best financial interests of the Issuer based on the advice of the Financial Advisor, with a policy of financial guaranty insurance, and further authorizes the Mayor to take any actions and do all things necessary in order to accept such policy in connection with the issuance of the Series 2014 Bonds.

SECTION 14. Bank Qualified. The Issuer hereby designates the Series 2014 Bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. The Issuer and any subordinate entities of the Issuer and any issuer of "tax-exempt" debt that issues "on behalf of" the Issuer do not reasonably expect during the calendar year 2014 to issue more than \$10,000,000 of "tax-exempt" obligations including the Series 2014 Bonds, exclusive of any private activity bonds as defined in Section 141(a) of the Code (other than qualified 501(c)(3) bonds as defined in Section 145 of the Code) and exclusive of bonds issued to currently refund any existing tax-exempt obligations.

SECTION 15. Prior Resolutions. All prior resolutions of the Issuer inconsistent with the provisions of the Master Resolution are hereby amended and supplemented to conform with the provisions herein contained and, except as may otherwise amended and supplemented hereby, the Master Resolution shall remain in full force and effect.

SECTION 16. No Personal Liability. Neither the members of the City Commission of the Issuer, any Person executing the Series 2014 Bonds, any other Charter Officials, nor employees of the Issuer shall be personally liable therefor

or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 17. General Authority. The Mayor, the City Manager, the Director of Finance, the City Attorney and any other proper officials of the Issuer are hereby authorized to do all acts and things required of them by the Resolution, the Series 2014 Bonds, or any other agreement or contract relating to the Series 2014 Bonds, or that may otherwise be desirable or consistent with accomplishing the full, punctual and complete performance of all the terms, covenants and agreements contained in any of the foregoing and each member, employee, attorney and officer of the Issuer is hereby authorized and directed to execute and deliver any and all papers and instruments, including without limitation tax returns, non-arbitrage certificates, and various other certificates, and to cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated thereby.

SECTION 18. Severability and Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, but 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 the other provisions hereof or of the Series 2014 Bonds.

SECTION 19. Master Resolution to Continue in Force. The Master Resolution and all the terms and provisions thereof, as amended hereby, are and shall remain in full force and effect.

SECTION 20. Amendment and Restatement of Series 2012 Bond. The Issuer hereby authorizes issuance of its amended and restated Stormwater System Refunding Revenue Bond, Series 2012 (the "Amended and Restated Series 2012 Bond"). The Amended and Restated Series 2012 Bond is to be in substantially the form set forth on Exhibit D attached hereto, together with such non-material changes as shall be approved by the Mayor, such approval to be conclusively evidenced by the execution thereof by the Mayor. The Amended and Restated Series 2012 Bond shall be executed on behalf of the Issuer with the manual or facsimile signature of the Mayor and a facsimile of the official seal of the Issuer, such signatures to be attested by the City Clerk. In case any one or more of the officers who shall have signed or sealed the Amended and Restated Series 2012 Bond or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Amended and Restated Series 2012 Bond so signed and sealed has been actually sold and delivered, the Amended and

Restated Series 2012 Bond may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed the Amended and Restated Series 2012 Bond had not ceased to hold such office. The Amended and Restated Series 2012 Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Amended and Restated Series 2012 Bond shall hold the proper office of the Issuer, although, at the date of such Amended and Restated Series 2012 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 Amended and Restated Series 2012 Bond shall be actually delivered.

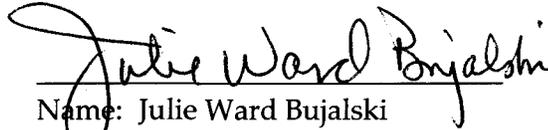
SECTION 21. Additional Remedy. Notwithstanding anything in the Resolution to the contrary, upon the occurrence of a default pursuant to Section 21(A), (B) or (E) of the Resolution, the Series 2014 Bondholders may declare the principal of the Series 2014 Bonds (if not then due and payable) to be immediately due and payable, and upon such declaration, the same shall be immediately due and payable; and in any such default and acceleration, the Issuer shall also be obligated to pay (but only from the sources described herein) as part of the indebtedness evidenced by this Bond, all costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist, including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from the automatic stay.

[Remainder of page intentionally left blank]

SECTION 22. Effective Date. This resolution shall take effect immediately upon its adoption.

Passed and adopted by the City Commission of the City of Dunedin, Florida this 20th day of November, 2014.

CITY OF DUNEDIN, FLORIDA

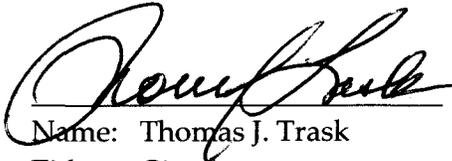


Name: Julie Ward Bujalski

Title: Mayor

Approved as to form:

Attest:



Name: Thomas J. Trask

Title: City Attorney



Name: Denise M. Kirkpatrick, CMC

Title: City Clerk

EXHIBIT A

Form of Purchase Contract

EXHIBIT B

Preliminary Official Statement

EXHIBIT C

Form of Continuing Disclosure Certificate

EXHIBIT D

Form of Amended and Restated Series 2012 Bond

**Dated: June 8, 2012**

**\$5,876,000.00**

**Maturity Date: October 1, 2032**

**CITY OF DUNEDIN, FLORIDA  
STORMWATER SYSTEM REFUNDING REVENUE BOND, SERIES 2012**

KNOW ALL MEN BY THESE PRESENTS that the City of Dunedin, Florida (the "Issuer"), a municipal corporation created and existing pursuant to the Constitution and the laws of the State of Florida, for value received, promises to pay from the sources hereinafter provided, to the order of SunTrust Bank or registered assigns (hereinafter, the "Owner"), the principal sum of \$5,876,000 in the manner described below, together with interest on the principal balance outstanding at the Interest Rate calculated on the basis of a 360 day year consisting of twelve 30-day months.

"Interest Rate" shall mean a per annum rate equal to (a) 3.04%, multiplied, prior to the occurrence of a Determination of Taxability, by (b) the Margin Rate Factor, and, both prior to and after the occurrence of a Determination of Taxability, subject to further adjustment in accordance with the terms hereof.

Principal of and interest on this Bond is payable in lawful money of the United States of America at such place as the Owner may designate to the Issuer in writing.

Interest shall be payable in arrears semi-annually to the Owner on each April 1 and October 1, commencing on October 1, 2012. The Issuer agrees to have interest payments collected via ACH Direct Debit from a bank account of its choice.

Principal on this Bond shall be payable on October 1 of the following years and amounts:

<u>Year</u> <u>(October 1)</u>	<u>Amount</u>	<u>Year</u> <u>(October 1)</u>	<u>Amount</u>
2013	\$165,000	2023	\$297,000
2014	227,000	2024	306,000
2015	233,000	2025	315,000
2016	241,000	2026	324,000
2017	248,000	2027	334,000
2018	255,000	2028	344,000
2019	263,000	2029	355,000
2020	271,000	2030	366,000
2021	279,000	2031	377,000
2022	288,000	2032	388,000

As described above, the final installment of the entire unpaid principal balance, together with all accrued and unpaid interest hereon, is due and payable on the Maturity Date.

If, after the date hereof, the Owner shall have reasonably determined that a Change in Law shall have occurred that has or would have the effect of materially reducing the rate of return on the Owner's capital, on this Bond or otherwise, as a consequence of its ownership of this Bond to a level below that which the Owner could have achieved but for such adoption, change or compliance (taking into consideration the Owner's policies with respect to capital adequacy) by an amount deemed by the Owner to be material, then from time to time, promptly upon demand by the Owner, the Issuer hereby agrees to pay the Owner such additional amount or amounts as will compensate the Owner for such reduction. A certificate of the Owner claiming compensation under this paragraph and setting forth the additional amount or amounts to be paid to it hereunder shall be conclusive absent manifest error, but provided to the Issuer in writing. In determining any such amount, the Owner may use any reasonable averaging and attribution methods. The Owner shall notify the Issuer in writing of any adjustments pursuant to this paragraph.

In the event that any applicable law or regulation or the interpretation or administration thereof by any governmental authority charged with the interpretation or administration thereof (whether or not having the force of law) (i) shall change the basis of taxation of payments to the Owner of any amounts payable by the Issuer hereunder (other than taxes imposed on the overall net income of the Owner) or (ii) shall impose, modify or deem applicable in a material manner any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by the Owner, or (iii) shall impose any other condition with respect to this Bond, and the result of

any of the foregoing is to materially increase the cost to the Owner of making or maintaining this Bond or to reduce any amount receivable by the Owner hereunder, then the Issuer shall from time to time, upon demand by the Owner, pay to the Owner additional amounts sufficient to compensate the Owner for such increased costs (the "Additional Costs"). A detailed statement as to the amount of such Additional Costs, prepared in good faith and submitted to the Issuer by the Owner, shall be conclusive and binding in the absence of manifest error.

Upon the occurrence of a Determination of Taxability and for as long as this Bond remains outstanding, the Interest Rate on this Bond shall be adjusted to become the Taxable Rate. In addition, upon a Determination of Taxability, the Issuer shall pay to the Owner (i) an additional amount equal to the difference between (A) the amount of interest actually paid on this Bond during the Taxable Period and (B) the amount of interest that would have been paid during the Taxable Period had this Bond borne interest at the Taxable Rate, and (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Owner as a result of the Determination of Taxability.

So long as no Determination of Taxability shall have occurred, upon the occurrence of a Loss of BQ Status and for as long as this Bond remains outstanding, the Interest Rate on this Bond shall be adjusted to become the Adjusted BQ Rate. In addition, upon a Loss of BQ Status, the Issuer shall pay to the Owner (i) an additional amount equal to the difference between (A) the amount of interest actually paid on this Bond during the period of time from the date of issuance of this Bond and the next succeeding interest payment date, and (B) the amount of interest that would have been paid during the period in clause (A) had this Bond borne interest at the Adjusted BQ Rate, and (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Owner as a result of the Loss of BQ Status.

"Adjusted BQ Rate" shall mean, upon a Loss of BQ Status, the interest rate per annum that shall provide the Owner with the same after tax yield that the Owner would have otherwise received had the Loss of BQ Status not occurred, taking into account the increased taxable income of the Owner as a result of such Loss of BQ Status. The Owner shall provide the Issuer with a written statement explaining the calculation of the Adjusted BQ Rate, which statement shall, in the absence of manifest error, be conclusive and binding on the Issuer. The Adjusted BQ Rate shall be subject to further adjustment as provided herein.

"Business Day" shall mean a day on which the Owner and the Issuer are open for business and on which dealings in U.S. dollar deposits are carried on in the London Inter-Owner Market.

"Change in Law" means the occurrence, after the date hereof, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directive thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or, pursuant to the accord commonly referred to as "Basel III" or the United States or foreign regulatory authorities, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

"Default Rate" shall mean the sum of the Prime Rate plus 3% per annum.

"Determination of Taxability" means a final decree or judgment of any Federal court or a final action of the Internal Revenue Service determining that interest paid or payable on this Bond is or was includable in the gross income of a Bondholder for Federal income tax purposes; provided, that no such decree, judgment, or action will be considered final for this purpose, however, unless the Issuer has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any Bondholder, and until the conclusion of any appellate review, if sought.

"Governmental Authority" shall mean the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Loss of BQ Status" shall mean a determination by the Owner that this Bond is not a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code (or any successor provision).

"Margin Rate Factor" shall mean the fraction the numerator of which is equal to one (1) minus the Maximum Federal Corporate Tax Rate on the date of

calculation and the denominator of which is 0.65. The Margin Rate Factor shall be 0.65/0.65 or 1.0 so long as the Maximum Federal Corporate Tax Rate shall be 35%, and thereafter shall increase from time to time effective as of the effective date of any decrease in the Maximum Federal Corporate Tax Rate.

"Maximum Federal Corporate Tax Rate" shall mean the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, determined without regard to tax rate or tax benefit make-up provisions such as the last two sentences of Section 11(b)(1) of the Code, as in effect from time to time (or, if as a result of a change in the Code the rate of income taxation imposed on corporations shall not be applicable to this Bondholder, the maximum statutory rate of federal income taxation which could apply to this Bondholder). The Maximum Federal Corporate Tax Rate on the date hereof is 35%.

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

"Taxable Period" shall mean the period of time between (a) the date that interest on this Bond is deemed to be includable in the gross income of the owner thereof for federal income tax purposes as a result of a Determination of Taxability, and (b) the date of the Determination of Taxability.

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

This Bond may be redeemed in whole or in part on any date, with two (2) Business Days prior written notice to the Owner (unless waived) by payment of an amount equal to the principal amount to be redeemed, plus accrued interest thereon to the date of redemption, without penalty. Notwithstanding anything in the Resolution to the contrary, upon the occurrence of a default pursuant to

Section 21(A), (B) or (E) of the Resolution, the Owner may declare the principal of this Bond (if not then due and payable) to be immediately due and payable, and upon such declaration, the same shall be immediately due and payable; and in any such default and acceleration, the Issuer shall also be obligated to pay (but only from the sources described herein) as part of the indebtedness evidenced by this Bond, all costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist, including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from the automatic stay. In addition to the remedies described in Resolution, upon the occurrence of an Event of Default, the Interest Rate on this Bond shall be adjusted to become the Default Rate.

This Bond is issued to refund the Refunded Bonds, reimburse and/or finance the 2012 Project, and to pay costs related thereto, all in full compliance with Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, the Charter of the Issuer, the City of Dunedin Code of Ordinances, Subpart A, Chapter 78, Article IV, Stormwater Utility, and other applicable provisions of law, and Resolution No. 2012-18 duly adopted by the Issuer on May 17, 2012, as amended and supplemented from time to time, particularly as supplemented by Resolution No. 2012-19 duly adopted by the Issuer on May 17, 2012 (hereinafter collectively called the "Resolution") and is subject to all the terms and conditions of such Resolution. All capitalized undefined terms used herein shall have the meaning set forth in the Resolution.

This Bond is payable solely from and secured by a pledge of the Gross Revenues of the System levied and collected by the Issuer, and the moneys in certain funds and accounts created pursuant to the Resolution (collectively, the "Pledged Revenues") in the manner and to the extent provided in the Resolution. Reference is made to the Resolution for more complete definition and description of the System and the Pledged Revenues.

This Bond does not constitute a general indebtedness of the Issuer within the meaning of any constitutional, statutory or charter provision or limitation, and it is expressly agreed by the Owner of this Bond that such Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer or taxation of any real or personal property therein for the payment of the principal of and interest on this Bond or the making of any debt service fund, reserve or other payments provided for in the Resolution.

It is further agreed between the Issuer and the Owner of this Bond that this Bond and the indebtedness evidenced thereby shall not constitute a lien upon the System, or any part thereof, or on any other property of or in the Issuer,

but shall constitute a lien only on the Pledged Revenues all in the manner provided in the Resolution.

The Issuer has covenanted, in the Resolution, to fix, establish, revise from time to time whenever necessary, maintain and collect always such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide, Net Revenues in each Fiscal Year sufficient to pay one hundred twenty-five percent (125%) of the Bond Service Requirement on all Outstanding Bonds in the applicable Bond Year, plus one hundred percent (100%) of any amounts required by the terms of the Resolution to be deposited into the Reserve Fund (including any subaccount therein) or with any Credit Facility Issuer as a result of a withdrawal from the Reserve Fund (including any subaccount therein), the Renewal, Replacement and Improvement Fund and debt service on other obligations payable from the Net Revenues of the System, and other payments, and all allocations and applications of revenues in the Resolution required in such Fiscal Year.

Net Revenues will not be reduced so as to render them insufficient to provide revenues for the purposes provided therefor by the Resolution.

The Issuer has entered into certain further covenants with the Owner for the terms of which reference is made to the Resolution.

It is certified that this Bond is authorized by and is issued in conformity with the requirements of the Constitution and Statutes of the State of Florida.

This Bond is and has all the qualities and incidents of a negotiable instrument under Article 3 of the Uniform Commercial Code, the State of Florida, Chapter 673, Florida Statutes, as amended.

The transfer of this Bond is registrable by the Owner hereof in person or by his attorney or legal representative at the designated corporate trust office of the Registrar but only in the manner and subject to the conditions provided herein and in the Resolution and upon surrender and cancellation of this Bond. Notwithstanding anything herein or in the Resolution to the contrary, this Bond may only be transferred in whole and not in part.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until it shall have been authenticated by the execution by the Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the City of Dunedin, Florida, has issued this Bond and has caused the same to be signed by the Mayor and countersigned and attested to by the City Clerk and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the dated first written above.

CITY OF DUNEDIN  
FLORIDA

(SEAL)

By: \_\_\_\_\_  
Name: Julie Ward Bujalski  
Title: Mayor

ATTESTED AND COUNTERSIGNED:

By: \_\_\_\_\_  
Name: Denise Kirkpatrick, CMC  
Title: City Clerk

#### CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Resolution.

Date of Authentication:

\_\_\_\_\_, 20\_\_

CITY CLERK,  
Registrar, as Authenticating Agent

By: \_\_\_\_\_  
Authorized Officer



## APPENDIX E

### FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Dunedin, Florida (the "Issuer") in connection with the issuance of its \$\_\_\_\_\_ Stormwater System Revenue Bonds, Series 2014 (the "Bonds"). The Bonds are being issued pursuant to Resolution No. 2012-18 adopted by the City Commission of the City (the "City Commission") on May 17, 2012, as amended and supplemented from time to time, and as particularly amended and supplemented by Resolution No. 2014-\_\_ adopted by the City Commission on November 20, 2014 (collectively, the "Resolution").

SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and Beneficial Owners (defined below) of the Bonds and in order to assist the Participating Underwriters in complying with the continuing disclosure requirements of the Rule (defined below).

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"EMMA" shall mean the Electronic Municipal Market Access web portal of the MSRB, located at <http://www.emma.msrb.org>.

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Obligated Person" shall mean any person, including the Issuer, 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 or credit facilities).

"Participating Underwriters" shall mean the original underwriter(s) of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the MSRB, which currently accepts continuing disclosure submissions through EMMA.

"Rule" shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Florida.

### SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) The Issuer shall, or shall cause the Dissemination Agent to, by not later than April 30<sup>th</sup> following the end of the prior fiscal year, beginning with the fiscal year ending September 30, 2014 with respect to the report for the 2013-2014 fiscal year, provide to any Repository, in electronic format as prescribed by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date provided, further, in such event unaudited financial statements are required to be delivered as part of the Annual Report in accordance with Section 4(a) below. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) If on the fifteenth (15<sup>th</sup>) day prior to the annual filing date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Issuer shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report no later than two (2) business days prior to the annual filing date, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Agreement, state the date by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a failure to file has occurred and to immediately send a notice to the Repository in substantially the form attached as Exhibit A, accompanied by a cover sheet completed by the Dissemination Agent in the form set forth in Exhibit B.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository;

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing any Repository to which it was provided; and

(iii) if the Dissemination Agent has not received an Annual Report by 6:00 p.m. Eastern time on the annual filing date (or, if such annual filing date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a failure to file shall have occurred and the Issuer irrevocably directs the Dissemination Agent to immediately send a notice to the Repository in substantially the form attached as Exhibit A without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Dissemination Agent in the form set forth in Exhibit B.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Issuer's Annual Report shall contain or include by reference the following:

(a) the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement dated \_\_\_\_\_, 2014 (the "Official Statement"), and the audited financial statements shall be filed in the same manner as the Annual Report when they become available; and

(b) updates of the historical financial and operating data set forth in the Official Statement under the caption HISTORICAL SYSTEM OPERATING RESULTS AND PRO FORMA DEBT SERVICE COVERAGE.

The information provided under Section 4(b) may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the Repository's Internet Web site or filed with the Securities and Exchange Commission.

The Issuer reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds. Such notice shall

be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
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 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 status of the Bonds;
7. modifications to rights of the holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. ratings changes;
12. an Event of Bankruptcy or similar event of an Obligated Person;
13. the consummation of a merger, consolidation, or acquisition involving an 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;
14. appointment of a successor or additional trustee or the change of name of a trustee, if material; and
15. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof.

(b) The notice required to be given in paragraph 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

SECTION 6. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted in pursuant to this Disclosure Certificate to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

SECTION 7. TERMINATION OF REPORTING OBLIGATION. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

SECTION 9. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- (a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be 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 Issuer, or the type of business conducted;
- (b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer shall have the right to adopt amendments to this Disclosure Certificate necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. DEFAULT. The continuing disclosure obligations of the Issuer set forth herein constitute a contract with the holders of the Bonds. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution.

SECTION 12. DUTIES, IMMUNITIES AND LIABILITIES OF DISSEMINATION AGENT. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

[Remainder of page intentionally left blank]

SECTION 13. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated as of \_\_\_\_\_, 2014

(SEAL)

CITY OF DUNEDIN, FLORIDA

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

Name: Julie Ward Bujalski

Title: Mayor

Attested and Countersigned:

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

Name: Denise Kirkpatrick, CMC

Title: City Clerk

**EXHIBIT A**

**NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT**

Issuer: \_\_\_\_\_

Obligated Person: \_\_\_\_\_

Name(s) of Bond Issue(s): \_\_\_\_\_

Date(s) of Issuance: \_\_\_\_\_

Date(s) of Disclosure Agreement: \_\_\_\_\_

CUSIP Number: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate between the Issuer, as Dissemination Agent. The Issuer anticipates that the Annual Report will be filed by\_\_\_\_\_.

Dated:\_\_\_\_\_

CITY OF DUNEDIN, FLORIDA

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

Name:\_\_\_\_\_

Title:\_\_\_\_\_

PRELIMINARY OFFICIAL STATEMENT DATED \_\_\_\_\_, 2014

NEW ISSUE – BOOK-ENTRY ONLY

RATINGS: Standard & Poor's: \_\_ (\_\_\_ outlook)

*In the opinion of bond counsel, assuming compliance by the City with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the Series 2014 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Series 2014 Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. See "TAX MATTERS" herein for a description of other tax consequences to holders of the Series 2014 Bonds.*



\$ \_\_\_\_\_ \*  
CITY OF DUNEDIN, FLORIDA  
Stormwater System Revenue Bonds,  
Series 2014

**Dated: Date of Delivery**

**Due: October 1, as shown on inside cover**

The City of Dunedin, Florida (the "City") will issue its Stormwater System Revenue Bonds, Series 2014 (the "Series 2014 Bonds") as fully registered bonds, without coupons, which initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). Individual purchases will be made in book-entry form only in denominations of \$5,000 and any integral multiple thereof. Purchasers of the Series 2014 Bonds (the "Beneficial Owners") will not receive physical delivery of the Series 2014 Bonds. Transfer of ownership in the Series 2014 Bonds will be affected by DTC's book-entry system as described herein. As long as Cede & Co. is the registered owner as nominee of DTC, principal and interest payments will be made directly to such registered owner which will in turn remit such payments to the Participants (as defined herein) for subsequent disbursement to the Beneficial Owners. The principal and the premium, if any, on the Series 2014 Bonds will be payable upon presentation and surrender thereof at maturity or redemption at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Registrar and Paying Agent, or its successors. Interest on the Series 2014 Bonds is payable semi-annually on April 1 and October 1 of each year (first interest payment due \_\_\_\_\_ 1, 2015) by check or draft mailed by the Paying Agent (or by wire transfer from the Paying Agent under certain circumstances) to the registered owner thereof at the address as shown on the registration books of the City.

Certain of the Series 2014 Bonds are subject to optional and mandatory redemption prior to maturity as set forth in this Official Statement.

The Series 2014 Bonds are being issued, together with other legally available funds of the City, to (i) finance and/or reimburse the cost of the design, permitting, acquisition, construction and reconstruction of improvements to the Stormwater System (hereinafter defined), and (ii) pay costs of issuance of the Series 2014 Bonds.

The Series 2014 Bonds are being issued pursuant to Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, the Charter of the City, the City Code of Ordinances, Subpart A, Chapter 78, Article IV, Stormwater Utility, and other applicable provisions of law (collectively, the "Act"), and pursuant to Resolution No. 2012-18 adopted by the City Commission of the

City (the "City Commission") on May 17, 2012, as amended and supplemented from time to time, as particularly amended and supplemented by Resolution No. 2014-\_\_ adopted by the City Commission on November 20, 2014 (collectively, the "Resolution"). The Series 2014 Bonds are secured by a pledge of and are payable solely from the Gross Revenues of the System levied and collected by the City, and until applied in accordance with the Resolution, the moneys on deposit in the various funds and accounts created pursuant to the Resolution, except (A) moneys on deposit in the Rebate Fund, and (B) to the extent moneys on deposit in a subaccount of the Reserve Fund or the Project Fund 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 (collectively, the "Pledged Revenues"). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

THE SERIES 2014 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY AS "BONDS" WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE, BUT SHALL BE PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND A PLEDGE OF THE PLEDGED REVENUES AS PROVIDED IN THE RESOLUTION. NO HOLDER OR HOLDERS OF ANY SERIES 2014 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY OR TAXATION IN ANY FORM OF ANY REAL OR PERSONAL PROPERTY THEREIN, OR TO COMPEL THE CITY TO PAY SUCH PRINCIPAL AND INTEREST FROM ANY OTHER FUNDS OF THE CITY.

This cover page contains certain information for quick reference only. It is not a summary of the Series 2014 Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

*The Series 2014 Bonds are offered when, as and if issued and received by the Underwriter, subject to the receipt of an opinion as to the validity of the Series 2014 Bonds and certain other matters by Bryant Miller Olive P.A., Tampa, Florida, Bond Counsel. Certain legal matters incident to the issuance and delivery of the Series 2014 Bonds will be passed on for the City by its counsel, Trask, Metz & Daigneault L.L.P., Dunedin, Florida and Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel. D.A. Davidson & Co., Denver, Colorado is serving as Financial Advisor to the City. It is expected that the Series 2014 Bonds will be available for delivery to the Underwriter at the facilities of DTC in New York, New York on or about \_\_\_\_\_, 2014.*

**PIPER JAFFRAY & CO.**

Dated: \_\_\_\_\_, 2014

\_\_\_\_\_  
\*Preliminary, subject to change.

\$ \_\_\_\_\_ \*

**CITY OF DUNEDIN, FLORIDA**  
**Stormwater System Revenue Bonds, Series 2014**

**MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS  
AND INITIAL CUSIP NUMBERS**

\$ \_\_\_\_\_ \* Serial Bonds

<u>Maturity</u> <u>(October 1)*</u>	<u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>Yield</u>	<u>Initial</u> <u>CUSIP</u> <u>Number**</u>
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\$ \_\_\_\_\_ \* \_\_\_\_\_ % Term Bonds due October 1, \_\_\_\_\_ \* Price \_\_\_\_\_ % Yield \_\_\_\_\_ % Initial CUSIP No. \_\_\_\_\_ \*\*

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\* 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.

RED HERRING LANGUAGE:

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2014 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The City has deemed this Preliminary Official Statement "final," except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**CITY OF DUNEDIN, FLORIDA**

**CITY COMMISSION**

Julie Ward Bujalski, Mayor  
Heather Gracy, Commissioner  
Deborah Kynes, Commissioner  
Bruce Livingston, Commissioner  
John Tornga, Commissioner

**ADMINISTRATION**

Robert DiSpirito, MPA, City Manager  
Thomas J. Trask, Esq., City Attorney  
Karen J. Feeney, Director of Finance  
Jorge Quintas, P.E., Director of Public Works and Utilities/City Engineer  
Denise Kirkpatrick, CMC, City Clerk

**BOND AND DISCLOSURE COUNSEL**

Bryant Miller Olive P.A.  
Tampa, Florida

**FINANCIAL ADVISOR**

D.A. Davidson & Co.  
Denver, Colorado

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations in connection with the Series 2014 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. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2014 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 which are believed to be reliable. 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 Underwriter has reviewed the information in this Official Statement in accordance with and as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2014 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 2014 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 2014 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "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 2014 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE 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.

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- APPENDIX A: General Information Concerning the City
- APPENDIX B: Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2013
- APPENDIX C: Form of the Resolution
- APPENDIX D: Form of Bond Counsel Opinion
- APPENDIX E: Form of Continuing Disclosure Certificate

**OFFICIAL STATEMENT  
relating to**

\$ \_\_\_\_\_ \*

**CITY OF DUNEDIN, FLORIDA  
STORMWATER SYSTEM REVENUE BONDS, SERIES 2014**

**INTRODUCTION**

The purpose of this Official Statement, including the cover page and all appendices, is to set forth certain information in connection with the sale by the City of Dunedin, Florida (the "City") of its \$ \_\_\_\_\_ \* aggregate principal amount of Stormwater System Revenue Bonds, Series 2014 (the "Series 2014 Bonds").

The Series 2014 Bonds are being issued pursuant to Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, the Charter of the City, the City Code of Ordinances, Subpart A, Chapter 78, Article IV, Stormwater Utility, and other applicable provisions of law (collectively, the "Act"), and pursuant to Resolution No. 2012-18 adopted by the City Commission of the City (the "City Commission") on May 17, 2012, as amended and supplemented from time to time, as particularly amended and supplemented by Resolution No. 2014-\_\_ adopted by the City Commission on November 20, 2014 (collectively, the "Resolution").

The Series 2014 Bonds are being issued, together with other legally available funds of the City, to (i) finance and/or reimburse the cost of design, permitting, acquisition, construction and reconstruction of improvements to the Stormwater System (hereinafter defined) (the "2014 Project"), and (ii) pay costs of issuance of the Series 2014 Bonds.

On a parity with the City's Stormwater System Refunding Revenue Bond, Series 2012 and any Additional Parity Obligations hereafter issued (collectively, the "Parity Bonds"), the Series 2014 Bonds are secured by a pledge of and are payable solely from the Gross Revenues of the System levied and collected by the City, and until applied in accordance with the Resolution, the moneys on deposit in the various funds and accounts created pursuant to the Resolution, except moneys on deposit in the Rebate Fund, and moneys on deposit in a subaccount of the Reserve Fund or the Project Fund that are pledged solely for the payment of the Series of Bonds for which it was established in accordance with the provisions of the Resolution (collectively, the "Pledged Revenues"). See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" herein.

The Series 2014 Bonds are issuable only in the form of fully registered bonds, without coupons, in the principal amount of \$5,000 or any integral multiples thereof. The interest on the Series 2014 Bonds is payable on \_\_\_\_\_ 1, \_\_\_\_\_ and on each April 1 and October 1 thereafter until maturity or earlier redemption as more fully described herein. The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida is serving as Registrar and Paying Agent for the Series 2014 Bonds.

Capitalized terms used but not defined herein have the same meanings as when used in the Resolution unless the context clearly indicates otherwise. Complete descriptions of the terms and

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\* Preliminary, subject to change.

conditions of the Series 2014 Bonds are set forth in the Resolution, a form of which is attached to this Official Statement as APPENDIX C. The description of the Series 2014 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. Copies of such documents, reports and statements referred to herein that are not included in their entirety in this Official Statement may be obtained, after payment of applicable copying and mailing costs, from the City of Dunedin, 750 Milwaukee Avenue, Dunedin, Florida 34698, Attention: Denise Kirkpatrick, CMC, City Clerk.

## **THE 2014 PROJECT**

The "2014 Project" consists of the design, permitting, acquisition, construction and reconstruction of improvements to the Stormwater System.

## **DESCRIPTION OF THE SERIES 2014 BONDS**

### **General**

Each Series 2014 Bond shall be issued in fully registered form in the denomination of \$5,000 each, or integral multiples thereof, shall be dated, shall be numbered, shall bear interest computed on the basis of a 360 day year of twelve 30 day months at the rates and shall mature on the dates and in the amounts shown on the inside cover page hereof.

The principal of and the interest and redemption premium, if any, on the Series 2014 Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The interest on the Series 2014 Bonds shall be payable by the Paying Agent on each interest payment date, or the first (1<sup>st</sup>) business day following an interest payment date if such interest payment date is not a business day, to the person appearing on the registration books of the City hereinafter provided for as the registered Holder thereof, by check or draft mailed to such registered Holder at his address as it appears on such registration books or by wire transfer to Holders of \$1,000,000 or more in principal amount of such Series 2014 Bonds. Payment of the principal of all Series 2014 Bonds (reduced by any Amortization Installments previously paid by the City on any Term Bonds) shall be made upon the presentation and surrender of such Series 2014 Bonds as the same shall become due and payable.

No Series 2014 Bond shall be secured under the Resolution or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Series 2014 Bond a certificate of authentication by the Registrar or such other entity as may be approved by the City for such purpose. Such certificate on any Series 2014 Bond shall be conclusive evidence that such Series 2014 Bond has been duly authenticated and delivered under the Resolution.

## **Book-Entry Only System**

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CITY BELIEVES TO BE RELIABLE, BUT THE CITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2014 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2014 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2014 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2014 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2014 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2014 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2014 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2014 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2014 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE CITY NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2014 Bonds. The Series 2014 Bonds will be issued as fully-registered securities 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 2014 Bond certificate will be issued for each maturity of the Series 2014 Bonds as set forth in the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("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 ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has a Standard & Poor's Ratings Services ("S&P") rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2014 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2014 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2014 Bond ("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 2014 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2014 Bonds, except in the event that use of the book-entry system for the Series 2014 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2014 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 the Series 2014 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 2014 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2014 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping 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. Beneficial Owners of Series 2014 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2014 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2014 Bonds may wish to ascertain that the nominee holding the Series 2014 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2014 Bonds within a series or maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2014 Bonds unless authorized by a Direct Participant in accordance with DTC's 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 Series 2014 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2014 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of 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 on the payment 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 nor its nominee, the City, or the paying agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest on the Series 2014 Bonds, as applicable, 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, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2014 Bonds at any time by giving reasonable notice to the City or paying agent. Under such circumstances, in the event that a successor depository is not obtained, the Series 2014 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, the Series 2014 Bond certificates will be printed and delivered to DTC.

#### **Negotiability, Registration and Transfer of Series 2014 Bonds**

*So long as the Series 2014 Bonds are registered in the name of DTC or its nominee, the following paragraphs relating to registration, transfer and exchange of Series 2014 Bonds do not apply to the Series 2014 Bonds.*

The Registrar shall keep books for the registration of and for the registration of transfers of the Series 2014 Bonds as provided in the Resolution. The transfer of any Series 2014 Bonds may be registered only upon such books and only upon surrender thereof to the Registrar together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Registrar. Upon any such registration of transfer, the City shall execute and the Registrar shall authenticate and deliver in exchange for such Series 2014 Bond, a new Series 2014 Bond or Series 2014 Bonds registered in the name of the transferee, and in an aggregate principal amount equal to the principal amount of such Series 2014 Bond or Series 2014 Bonds so surrendered.

In all cases in which Series 2014 Bonds shall be exchanged, the City shall execute and the Registrar shall authenticate and deliver, at the earliest practicable time, a new Series 2014 Bond or Series 2014 Bonds of the same type (e.g., Serial Bonds will be exchanged for Serial Bonds and Capital Appreciation Bonds will be exchanged for Capital Appreciation Bonds) in accordance with the provisions of the Resolution. All Series 2014 Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Registrar. The City or the Registrar may make a charge for every such exchange or registration of transfer of Series 2014 Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to any Series 2014 Bondholder for the privilege of exchanging or registering the transfer of Series 2014 Bonds under the provisions of the Resolution. Neither the City nor the Registrar shall be required to make any such exchange, registration or transfer of Series 2014 Bonds after the Record Date.

## Bonds Mutilated, Destroyed, Stolen or Lost

In case any Series 2014 Bond shall become mutilated, or be destroyed, stolen or lost, the City may, in its discretion, cause to be executed, and the Registrar shall authenticate and deliver, a new Series 2014 Bond of like date and tenor as the Series 2014 Bond so mutilated, destroyed, stolen or lost (e.g., Serial Bonds shall be issued in exchange for Serial Bonds and Capital Appreciation Bonds shall be issued in exchange for Capital Appreciation Bonds) in exchange and substitution for such mutilated Series 2014 Bond upon surrender and cancellation of such mutilated Series 2014 Bond or in lieu of and substitution for the Series 2014 Bond destroyed, stolen or lost, and upon the Holder 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 and the Registrar may prescribe and paying such expenses as the City and the Registrar may incur. All Series 2014 Bonds so surrendered shall be canceled by the City. If any of the Series 2014 Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2014 Bond, the City may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2014 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 2014 Bonds be at any time found by anyone, and such duplicate Series 2014 Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the same extent as all other Series 2014 Bonds issued pursuant to the Resolution.

## Optional Redemption

The Series 2014 Bonds maturing on or before October 1, \_\_\_\_\_, are not subject to redemption prior to their stated dates of maturity. The Series 2014 Bonds maturing on October 1, \_\_\_\_\_ and thereafter shall be subject to redemption prior to their stated dates of maturity at the option of the City, in whole or in part, on October 1, \_\_\_\_\_, or any date thereafter, in such order as shall be determined by the City and by lot within a maturity, at the redemption price or 100% of the principal amount of the Series 2014 Bonds to be redeemed, plus accrued interest to the redemption date.

## Mandatory Redemption

The Series 2014 Bonds maturing on October 1, \_\_\_\_\_ will be subject to mandatory redemption prior to maturity, by lot, in such manner as the Paying Agent may deem appropriate, at 100% of the principal amount of the Series 2014 Bonds so to be redeemed in the following Amortization Installments on October 1 in the years specified:

<u>Year</u>	<u>Amortization Installments</u>
*	\$

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\*Final Maturity

## **Notice of Redemption**

Notice of redemption shall, at least thirty (30) days prior to the redemption date, be filed with the Registrar, and mailed by the Registrar on behalf of the City, first class mail, postage prepaid, to all Holders of the Series 2014 Bonds to be redeemed at their addresses as they appear on the registration books hereinbefore provided for on the Record Date, but failure to mail such notice to one or more Holders of such Series 2014 Bonds, or any defect therein, shall not affect the validity of the proceedings for such redemption with respect to Holders of the Series 2014 Bonds to which notice was duly mailed pursuant to the Resolution and no defect occurred. Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of such Series 2014 Bonds, of one maturity are to be called, the distinctive numbers of such Series 2014 Bonds to be redeemed and, in the case of Series 2014 Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Any notice of optional redemption may state that it is conditional upon receipt by the Paying Agent of moneys sufficient to pay the redemption price, plus interest accrued to the redemption date, or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price and accrued interest if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Paying Agent to affected Holders of such Series 2014 Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

## **SECURITY AND SOURCES OF PAYMENT FOR THE BONDS**

### **General**

The Series 2014 Bonds, together with the Parity Bonds (collectively, the "Bonds"), are secured by a pledge of and are payable solely from the Gross Revenues of the System, and until applied in accordance with the Resolution, the moneys on deposit in the various funds and accounts created pursuant to the Resolution, except moneys on deposit in the Rebate Fund and moneys on deposit in a subaccount of the Reserve Fund or the Project Fund that are pledged solely for the payment of the Series of Bonds for which it was established in accordance with the provisions of the Resolution.

THE SERIES 2014 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE CITY AS "BONDS" WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE, BUT SHALL BE PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND A PLEDGE OF THE PLEDGED REVENUES AS PROVIDED IN THE RESOLUTION. NO HOLDER OR HOLDERS OF ANY SERIES 2014 BONDS SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE CITY OR TAXATION IN ANY FORM OF ANY REAL OR PERSONAL PROPERTY THEREIN, OR TO COMPEL THE CITY TO PAY SUCH PRINCIPAL AND INTEREST FROM ANY OTHER FUNDS OF THE CITY.

"Gross Revenues" means stormwater management utility fees collected by the Issuer and shall also include investment income, if any, earned on any fund or account created pursuant to the Resolution, except the Rebate Fund; proceeds of grants, if any, and any payment received by the City as contemplated in the Resolution, but "Gross Revenues" or "Revenues" shall not include any direct subsidy

payments received from the United States Treasury relating to "Build America Bonds"<sup>(1)</sup> issued pursuant to Section 54AA of the Code or any other interest subsidy or similar payments made by the Federal government.

"System" or "Stormwater System" means the complete stormwater management utility system now owned, managed and controlled by the City or which is proposed to be acquired by and operated and maintained by the City and which the City is, or shall be responsible for maintaining, together with any and all acquisitions, improvements, extensions and additions thereto, hereafter constructed or acquired, together with all lands or interests therein, including pipes, channels, streams, ditches, wetlands, utility detention/retention basins, ponds, receiving waters and other stormwater conveyance and treatment facilities, and all property, real or personal, tangible or intangible (including agreements for providing of such services), now or hereafter constructed and/or owned or used in connection therewith.

The Resolution establishes the Revenue Fund, the Bond Service Fund (which includes the Principal Account, the Interest Account, the Parity Contract Obligation Account and the Redemption Account), the Reserve Fund the Project Fund, the Renewal, Replacement and Improvement Fund, the Surplus Fund and the Rebate Fund. All such funds and accounts will be held by one or more Authorized Depositories.

The Revenue Fund established under the Resolution is reflected in the City's financial statements as the Stormwater System enterprise fund (the "Stormwater Fund").

### **Investments**

Each fund and account established by the Resolution 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 each fund and account, may be invested and reinvested in Permitted Investments maturing not later than the date on which the moneys therein will be needed. See "APPENDIX C — Form of the Resolution" attached hereto for the definition of "Permitted Investments."

### **Flow of Funds**

The City shall deposit all Gross Revenues and any direct subsidy payments received from the United States Treasury relating to "Build America Bonds" issued pursuant to Section 54AA of the Code or any other interest subsidy or similar payments made by the federal government into the Revenue Fund upon the receipt thereof. All amounts on deposit in the Revenue Fund shall be disposed of monthly, but no later than the twenty-fifth (25<sup>th</sup>) day of each month commencing in the month immediately following delivery of the Bonds in the following manner and in the following order of priority:

(A) The City shall first deposit into the Bond Service Fund and credit to the following accounts, in the following order (except that payments into the Interest Account and the Parity Contract Obligations Account shall be on parity with each other, and the payments into the Principal Account and the Redemption Account shall be on a parity with each other), the following identified sums:

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<sup>(1)</sup> No Build America Bonds have been issued to date under the Resolution.

(1) Interest Account: Taking into account actual and anticipated earnings in the Interest Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-sixth (1/6<sup>th</sup>) of all interest coming due on all Outstanding Bonds, on the next interest payment date; provided, however, that monthly deposits of interest, or portions thereof, shall not be required to be made to the extent that money on deposit within such Interest Account is sufficient for such purpose. Any monthly payment out of Gross Revenues to be deposited as set forth above, for the purpose of meeting interest payments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of interest payment dates applicable to such Series. Moneys in the Interest Account may be used only for the purposes set forth in this paragraph (1). Deposits required pursuant to the Resolution shall be increased or decreased each month to the extent required to timely pay interest next becoming due and payable after making allowance for any accrued and capitalized interest, and to make up any deficiency or loss that may otherwise arise in such fund or account.

(2) Parity Contract Obligations Account: Taking into account the actual and anticipated earnings in the Parity Contract Obligations Account in the Bond Service Fund within the current Bond Year, a pro rata estimated amount necessary to build up over time the amount of any Parity Contract Obligation which will next be due and payable or reasonably expected to be due and payable under any Qualified Agreement on the next payment date thereunder; provided, however, that the monthly amount to be so deposited may be adjusted, as appropriate, to reflect the frequency of payment dates thereunder (e.g., if such Parity Contract Obligations are required to be paid semi-annually, the City shall be required to deposit monthly an amount which is estimated to equal one-sixth (1/6<sup>th</sup>) of the next such payment). Moneys in the Parity Contract Obligations Account may be used only for the purposes set forth in this paragraph (2). Deposits required pursuant to the Resolution shall be increased or decreased each month to the extent required to timely pay Parity Contract Obligations next becoming due and payable, and to make up any deficiency or loss that may otherwise arise in such fund or account.

(3) Principal Account: Taking into account actual and anticipated earnings in the Principal Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-twelfth (1/12<sup>th</sup>) of the principal amount of the Outstanding Bonds which will mature and become due on such annual maturity dates beginning the month which is twelve (12) months prior to the first principal maturity date; provided, however, that monthly deposits for principal, or portions thereof, shall not be required to be made to the extent that money on deposit within such Principal Account is sufficient for such purpose. Any monthly payment out of Gross Revenues to be deposited as set forth above, for the purpose of meeting principal payments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of principal payment dates applicable to such Series. Moneys in the Principal Account may be used only for the purposes set forth in this paragraph (3). Deposits required pursuant to the Resolution shall be increased or decreased each month to the extent required to timely pay principal next becoming due and payable, and to make up any deficiency or loss that may otherwise arise in such fund or account.

(4) Redemption Account: Taking into account actual and anticipated earnings in the Redemption Account of the Bond Service Fund within the current Bond Year, such sum as will be sufficient to pay one-twelfth (1/12<sup>th</sup>) of any Amortization Installment established for the mandatory redemption of Outstanding Bonds on such annual maturity date beginning the month which is twelve (12) months prior to the first Amortization Installment date; provided, however,

that monthly deposits into the Redemption Account, or portions thereof, shall not be required to be made to the extent that money on deposit in the Redemption Account is sufficient for such purpose. Any monthly payment out of Gross Revenues to be deposited as set forth above, for the purpose of meeting Amortization Installments for any Series of Bonds, shall be adjusted, as appropriate, to reflect the frequency of dates established for Amortization Installments applicable to such Series. The moneys in the Redemption Account shall be used solely for the purchase or redemption of the Term Bonds payable therefrom. The City may at any time purchase any of said Term Bonds at prices not greater than the then redemption price of said Term Bonds. If the Term Bonds are not then redeemable prior to maturity, the City may purchase said Term Bonds at prices not greater than the redemption price of such Term Bonds on the next ensuing redemption date. If Term Bonds are so purchased by the City, the City shall credit the account of such purchased Term Bonds against any current Amortization Installment to be paid by the City. If the City shall purchase or call for redemption in any year Term Bonds in excess of the Amortization Installment requirement for such year, such excess of Term Bonds so purchased or redeemed shall be credited in such manner and at such times as the City shall determine. Moneys in the Redemption Account in the Debt Service Fund may be used only for the purposes set forth in this paragraph (4). Deposits required pursuant to the Resolution shall be increased or decreased each month to the extent required to timely pay Amortization Installments next becoming due and payable, and to make up any deficiency or loss that may otherwise arise in such fund or account.

(B) The Issuer shall next fund the Cost of Operation and Maintenance for the month following the date of such deposit.

(C) To the extent that the amounts on deposit in the Reserve Fund are less than the applicable Reserve Requirement, the City shall next make deposits into the Reserve Fund in the manner described below from moneys remaining in the Revenue Fund. Any withdrawals from the Reserve Fund shall be subsequently restored from the first moneys available in the Revenue Fund, after all current applications to the Bond Service Fund and all required current payments for Cost of Operation and Maintenance as set forth above, including all deficiencies for prior payments have been made in full. Notwithstanding the foregoing, in case of withdrawal from the Reserve Fund, in no event shall the City be required to deposit into the Reserve Fund an amount greater than that amount necessary to ensure that the difference between the Reserve Requirement and the amounts on deposit in the Reserve Fund on the date of calculation shall be restored not later than sixty (60) months after the date of such deficiency (assuming equal monthly payments into the Reserve Fund for such sixty (60) month period).

Upon the issuance of any Additional Parity Obligations under the terms, limitations and conditions as provided in the Resolution, the City may, on the date of delivery of such Additional Parity Obligations, increase the sum required to be accumulated and maintained on deposit in the Reserve Fund to be at least equal to the Reserve Requirement on all Outstanding Bonds secured by such Reserve Fund including the Additional Parity Obligations then issued. Such required sum may be paid in full or in part from the proceeds of such Additional Parity Obligations or may be accumulated in equal monthly payments to the Reserve Fund over a period of months from the date of issuance of the Additional Parity Obligations, which shall not exceed the greater of (a) twelve (12) months, or (b) the number of months for which interest on such Additional Parity Obligations has been capitalized, as determined by Supplemental Resolution. In the event moneys in the Reserve Fund are accumulated as provided above, (i) the amount in said Reserve Fund on the date of delivery of the Additional Parity Obligations shall not be less than the Reserve Requirement on all Bonds Outstanding secured by such Reserve Fund (excluding

the Additional Parity Obligations) on such date, and (ii) the incremental difference between the Reserve Requirement on all Bonds Outstanding secured by such Reserve Fund (excluding the Additional Parity Obligations) on the date of delivery of the Additional Parity Obligations and the Reserve Requirement on all such Bonds and the Additional Parity Obligations shall be twenty-five percent (25%) funded upon delivery of the Additional Parity Obligations.

Notwithstanding anything in the Resolution to the contrary, the City may also establish a separate subaccount in the Reserve Fund for any Series of Bonds and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided for in the Resolution. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Fund, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Fund. Moneys in a separate subaccount of the Reserve Fund shall be maintained at the Reserve Requirement applicable to such Series of Bonds secured by the subaccount; provided the Supplemental Resolution authorizing such Series of Bonds may establish the Reserve Requirement relating to such separate subaccount of the Reserve Fund at such level as the City deems appropriate. Moneys shall be deposited in the separate subaccounts in the Reserve Fund on a pro-rata basis.

Notwithstanding the foregoing, in lieu of or in substitution for the required deposits into the Reserve Fund, the City may cause to be deposited into the Reserve Fund a Reserve Fund Insurance Policy and/or a Reserve Fund Letter of Credit in an amount equal to the difference between the Reserve Requirement and the sums then on deposit in the Reserve Fund plus the amounts to be deposited therein pursuant to the preceding paragraph. See "APPENDIX C – Form of Resolution" attached hereto for more information regarding the Reserve Fund.

(D) From the moneys remaining in the Revenue Fund, the City shall next deposit into the Subordinated Debt Service Fund an amount required to be paid as provided in the resolution or agreement of the City authorizing such Subordinated Debt, but for no other purposes.

(E) The City shall next apply and deposit monthly from the moneys remaining on deposit in the Revenue Fund into the Renewal, Replacement and Improvement Fund, an amount at least equal to one-twelfth (1/12th) of two percent (2%) of the Gross Revenues received during the immediately preceding Fiscal Year. The moneys in the Renewal, Replacement and Improvement Fund shall be used only for the purpose of paying the cost of extraordinary repairs, extensions, enlargements or additions to, or the replacement of capital assets of the System or emergency repairs thereto. Notwithstanding anything in the Resolution to the contrary, the minimum balance in the Renewal, Replacement and Improvement Fund shall be an amount equal to fifty thousand dollars (\$50,000), or such greater amount as may be determined from time to time by the Director of Public Works & Utilities. Funds on hand in the Renewal, Replacement and Improvement Fund may be used to pay current Cost of Operation and Maintenance to the extent moneys on deposit in the Revenue Fund are insufficient for such purposes. The moneys on deposit in such fund may also be used to supplement the Reserve Fund, if necessary, in order to prevent a default in the payment of the principal and interest on the Bonds.

(F) The balance of any moneys remaining in the Revenue Fund after the above required payments have been made shall be deposited into the Surplus Fund and may be used for any lawful purpose of the City; provided, however, that none of such moneys shall be used for any purposes other than those hereinabove specified unless all current payments, including any deficiencies for prior payments, have been made in full and unless the City shall have complied fully with all the covenants and provisions of the Resolution.

## **Rate Covenant**

Pursuant to the Resolution, the City has covenanted to fix, establish, revise from time to time whenever necessary, maintain and collect such fees, rates, rentals and other charges for the use of products, services and facilities of the System which will always provide Net Revenues in each Fiscal Year sufficient to pay one hundred twenty-five percent (125%) of the Bond Service Requirement in the applicable Bond Year plus one hundred percent (100%) of amounts required by the terms thereof to be deposited into the Reserve Fund (including any subaccount therein) or with any Credit Facility Issuer as a result of a withdrawal from the Reserve Fund (including any subaccount therein), the Renewal, Replacement and Improvement Fund and debt service on other obligations payable from the Net Revenues of the System, and other payments, and all allocations and applications of revenues required pursuant to the Resolution in such Fiscal Year.

"Net Revenues" means Gross Revenues or Revenues, after deduction of the Cost of Operation and Maintenance.

"Cost of Operation and Maintenance" means the City's then current expenses, paid or accrued, in the operation, maintenance and repair of the System, as calculated in accordance with generally accepted accounting principles, including, but not limited to, general administrative and indirect labor costs, personal services, contractual services, repairs and maintenance, and materials and supplies, but shall not include capital expenditures, any reserve for renewals and replacements, any allowance for depreciation, any Bond Service Requirement, any payments in lieu of taxes, franchise fees or other transfers.

Net Revenues shall not be reduced so as to render them insufficient to provide revenues for the purposes provided therefor by the Resolution.

## **No Reserve Account Funding for Series 2014 Bonds**

The Resolution provides for the establishment and maintenance of a Reserve Fund and separate accounts therein. The Series 2014 Bonds are not secured by the Reserve Fund or any account therein and no Reserve Requirement has been established for the Series 2014 Bonds.

## **2014 Project Account**

The 2014 Project Account shall only be used for payment of the costs of the 2014 Project. A new account shall be created in the Project Fund for each Project funded by a Series of Bonds (each, a "Project Account"). Moneys in each Project Account, until applied in payment of any item of the Project Costs in the manner provided in the Resolution, shall be held in trust by the City and 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 each Project Fund the amounts required to be so paid by the provisions of the Resolution, as supplemented.

Notwithstanding anything in the Resolution to the contrary, in the Event of Default, the trustee acting for the Holders of Bonds shall, to the extent there are no other available funds held under the Resolution, use the remaining funds in the each Project Account to pay principal and interest on the Series of Bonds to which it was established.

## **Additional Parity Obligations**

No Additional Parity Obligations shall be issued by the City unless the following conditions are complied with:

(1) The amount of the Net Revenues derived for any consecutive twelve (12) months out of the preceding thirty (30) months preceding the date of issuance of the proposed Additional Parity Obligations (the "Test Period") is equal to and not less than 125% of the Maximum Bond Service Requirement becoming due in any Bond Year thereafter taking into account the proposed Additional Parity Obligations. In rendering its validity opinion with regard to such Additional Parity Obligations, Bond Counsel may rely upon a certificate of the Director of Finance to evidence compliance with this paragraph.

(2) The City need not comply with the provisions of paragraph (1) above if and to the extent the Additional Parity Bonds to be issued are refunding bonds, if the Maximum Annual Debt Service Requirement prior to the refunding is not less than that for all Series of Bonds to be Outstanding thereafter.

(3) The City need not comply with the provisions of paragraph (1) of above if and to the extent the Bonds to be issued are for the purpose of providing any necessary additional funds required for completion of any improvements to the System ("Completion Bonds") if originally financed with the proceeds of Bonds; provided that such Completion Bonds for which the City need not comply with the provision of such paragraph (1) above may not exceed 10% of the total principal amount of Bonds estimated to be required for such improvements to the System at the time of issuance of the initial Series of Bonds to finance such improvements.

(4) The Director of Finance of the City shall have certified that the City is not in default in the carrying out of any of the obligations assumed under the Resolution and no event of default shall have occurred under the Resolution and shall be continuing, and all payments required by the Resolution to be made into the funds and accounts established under the Resolution shall have been made to the full extent required.

(5) The Supplemental Resolution authorizing the issuance of the Additional Parity Obligations shall recite that all of the covenants contained in the Resolution will be applicable to such Additional Parity Obligations.

(11) Notwithstanding anything in the Resolution to the contrary, no Additional Parity Obligations shall be issued if an Event of Default would continue beyond such issuance.

## **Subordinated Indebtedness**

The City shall issue no bonds or obligations of any kind or nature payable from or enjoying a lien on the Pledged Revenues if such obligations have priority over the Series 2014 Bonds or any Parity Contract Obligations with respect to payment or lien, nor shall the City create or cause or permit to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien of the Series 2014 Bonds and any Parity Contract Obligations upon said Pledged Revenues. Notwithstanding any other provision of the Resolution, the City may issue Additional Parity Obligations under the conditions and in the manner provided in the Resolution. Any obligations of the

City, other than the Bonds and any Parity Contract Obligations, which are payable from the Pledged Revenues shall contain an express statement that such obligations are junior and subordinate in all respects to the Series 2014 Bonds and any Parity Contract Obligations as to lien on and source and security for payment from such Pledged Revenues.

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## 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 2014 Bonds, together with any other legally available funds of the City:

### Sources of Funds

Principal Amount of Series 2014 Bonds	\$
Plus/Less Net Original Issue Premium/Discount	
Other Legally Available Funds	
Total Sources of Funds	\$

### Uses of Funds

Deposit to 2014 Project Account	\$
Costs of Issuance <sup>(1)</sup>	
Total Uses	\$

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<sup>(1)</sup> Includes legal and financial advisory fees, bank fees, printing and Underwriter's discount.

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**DEBT SERVICE SCHEDULE FOR SERIES 2014 BONDS**

Bond Year Ending <u>October 1</u>	<u>Principal</u>	<u>Interest</u>	Total <u>Debt Service</u>
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TOTALS

**COMBINED DEBT SERVICE SCHEDULE FOR OUTSTANDING BONDS**

Bond Year Ending <u>October 1</u>	Debt Service on <u>Series 2012 Bond<sup>(1)</sup></u>	Debt Service on <u>Series 2014 Bonds</u>	Total Combined <u>Debt Service</u>
2015	\$399,713.60		
2016	400,630.40		
2017	400,304.00		
2018	399,764.80		
2019	400,012.80		
2020	400,017.60		
2021	399,779.20		
2022	400,297.60		
2023	400,542.40		
2024	400,513.60		
2025	400,211.20		
2026	399,635.20		
2027	399,785.60		
2028	399,632.00		
2029	400,174.40		
2030	400,382.40		
2031	400,256.00		
2032	<u>399,795.20</u>		
TOTALS	\$7,201,448.00		

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<sup>(1)</sup> The Series 2012 Bond was a direct private placement with SunTrust Bank.

## THE STORMWATER SYSTEM

### General

The City established a stormwater drainage utility (the "Stormwater System" or "System") in 1989 as a City utility enterprise in accordance with Section 403.0893, Florida Statutes, and Chapter 166, Florida Statutes. The City is responsible for providing efficient, economic, and safe operation of the City stormwater infrastructure for the health, safety, and general welfare of the public. The service area of the System is defined by the City limits. The System serves approximately 11,535 customers. Of the total customers, approximately 10,802 are residential customers and 733 are commercial customers.

### System Facilities

The System includes approximately 53,488 linear feet of stormwater conveyance systems (pipes, ditches, and exfiltration trenches), 23.51 acres of open water, and more than 2,531 structures (dry detention systems, pollution control boxes, culverts, flumes, weirs, catch basins, outfalls, etc.) to manage drainage for the City.

### System Operation and Maintenance

#### *Administration of the System.*

The City employs approximately 340 regular employees. The System is managed by the Stormwater Section of the Public Works and Utilities Department of the City. The Department includes Streets, Engineering, Facilities Maintenance, Fleet, Water and Wastewater and Stormwater functions, and employs approximately 142 full-time regular benefitted employees, of which 14 are solely dedicated to management or maintenance of the System. The Stormwater Section of Public Services is responsible for routine maintenance of the Stormwater System, along with proactive actions to minimize impacts to water quality. The Stormwater Section is also responsible for emergency repairs and maintenance to the Stormwater System. The biographies of the following key personnel are included below: Robert DiSpirito, City Manager, Karen Feeney, Director of Finance, Jorge Quintas, Director of Public Works and City Engineer; Arlie Anderson, Division Director of Public Services; Whitney Marsh, Stormwater Program Coordinator; and Jon Everett, Public Works Engineer.

**Robert DiSpirito**, City Manager. Robert DiSpirito has been the City Manager of the City since 2007. He has a Bachelor of Arts in Public Administration and a Masters in Public Administration.

**Karen Feeney**, Director of Finance. Karen Feeney has been the Director of Finance for the City since 2013. She has a Bachelor of Science in Accounting and a Masters in Business Administration.

**Jorge Quintas**, P.E., Director of Public Works and City Engineer. Jorge Quintas is responsible for oversight of the Public Services Division, Engineering Division, Fleet Services, Utility Billing, Solid Waste Division, Wastewater Division, and Water Division and has over 31 years of experience in the field of civil engineering. He has a Bachelor of Science in Civil Engineering and is registered as a Professional Engineer in the State of Florida.

**Arlie Anderson**, Division Director of Public Services. Arlie Anderson is responsible for oversight of the Stormwater, Streets, Traffic, and Facilities Sections. He has a Bachelor of Public Administration.

**Whitney Marsh**, Stormwater Program Coordinator. Whitney Marsh is responsible for the City's NPDES MS4 permitting and has a Bachelor of Science in Psychology, a Master of Fisheries and Aquatic Sciences, and a Master of Science in Business Management.

**L. Jon Everett**, P.E., Public Works Engineer. Jon Everett has been with the City for over 30 years. He has a Bachelor of Science in Engineering, and is registered as a Professional Engineer in the State of Florida.

Certain administrative services for the System are provided by other departments of the City. The Stormwater Fund charged an administrative charge by the General Fund of the City, reimbursing the General Fund for the Stormwater Fund portion of certain City administrative functions such as City Manager, City Attorney's Office, Finance, Human Resources, Communications and City Clerk functions. Such charges are reflected as Operation and Maintenance expenses payable from the Stormwater Fund.

#### *Maintenance of System.*

The City's Stormwater System is comprised of swales, ditches, ponds, pipes and structural treatment systems. In-ground structural treatment systems are used to capture floatables, trash, leaves and dirt. These units are inspected and cleaned quarterly by a Vactor Truck. Street sweeping is utilized to reduce nutrient runoff loads. On average the City is swept four to six times annually. On average, the Stormwater System maintains 370,736 linear feet of swale/ditches, inspects and/or repairs 850 structures, and televises and/or cleans approximately 27,000 linear feet of storm drain pipe annually. System operating and maintenance costs are anticipated to be approximately \$1.8 million for fiscal year ending September 30, 2015.

#### **Capital Improvement Program and Funding Sources**

The City estimates the cost of necessary capital improvements to the System over the next ten-year period to be approximately \$8.5 million. In addition to the Series 2014 Project, the City's capital improvement plan with respect to the System includes general upgrades to, and rehabilitation of, the System facilities. Other than the Series 2014 Project which will be funded with proceeds of the Series 2014 Bonds, the City expects to fund the remainder of such capital improvement projects through cash resources, including reserves, annual revenues of the System and grants.

The City's current Master Drainage Plan was originally completed in 2003 (the "Master Drainage Plan"). Approximately 90% of the objectives listed in the City's Master Drainage Plan have been completed to date. An update of the Master Drainage Plan is anticipated to be completed by 2017 for the primary purpose of addressing issues that have recently arisen, including, but not limited to, the anticipated regulatory changes regarding the total maximum daily load requirements and nutrient water quality standards issues discussed below.

The State of Florida has initiated a rulemaking process that is intended to establish quantitative nutrient water quality standards for the purpose of protecting state waters from the adverse effects of nutrient over-enrichment. Depending upon the final outcome of the rulemaking process, the System could be required to incur significant costs to comply with the new standards. The costs to comply, the time when this will occur and the phase-in period are uncertain pending State of Florida rulemaking and the outcome of current litigation. To the extent that this or some other regulatory requirement is enacted, it is anticipated that the City will update its capital improvement plan accordingly to account for any additional costs of compliance as part of the annual revenue sufficiency analysis process for the System. Such additional compliance could include improvements for capturing and monitoring sediment, phosphorous and nitrogen loading and an increase in the number of filtration system units for gross pollutant removal.

### **Regulatory Status**

The Stormwater System is regulated by the Florida Department of Environmental Protection (FDEP) and operates under a Phase I National Pollutant Discharge Elimination System (NPDES) Municipal Separate Storm Sewer System (MS4) permit issued by FDEP (the "NPDES MS4 Permit"). The City is a co-permittee under Pinellas County's NPDES MS4 Permit. The City is subject to independent annual reporting requirements for each calendar year and is required to file the City NPDES MS4 Permit Annual Report with FDEP (the "NPDES MS4 Permit Annual Report"). The current NPDES MS4 Permit was issued in January, 2013 and is renewable annually. In addition to the NPDES MS4 Permit, the System must obtain and operate under various permits that are project specific.

The NPDES MS4 Permit requires water quality monitoring, public education, re-evaluation of what is considered a major outfall, street sweeping sampling, additional inspections, and response actions to impaired waterways. The System currently utilizes in-ground structural treatment systems to capture floatables, trash, leaves and dirt. These units are inspected and cleaned quarterly and are considered a best management practice. Street sweeping is also a best management practice that is crucial to reducing nutrient runoff loads. An average of 600-700 tons of debris is collected and properly disposed of annually. The street sweeping debris is sampled and tested for pollutants in accordance with the NPDES MS4 Permit requirements and FDEP regulations. The sampling data is reported in the NPDES MS4 Permit Annual Report. The FDEP could impose additional or more stringent guidelines under the NPDES MS4 Permit relating to water quality, public outreach and reporting that could require capital improvements to the System. See "-- Capital Improvement Program and Funding Sources" above.

### **Stormwater Management Utility Fee**

A stormwater management utility fee for stormwater management services provided by the System is levied against all developed property within the City to provide planning, design, construction, operation, maintenance, regulation, surveying, and inspection of the stormwater management facilities within the City. The City establishes by ordinance rates, fees and charges for use of the System, which are adopted in response to periodic rate studies conducted by the City's utility rate consultant. Use of the System by the citizens of the City is voluntary, and the stormwater management utility fee is applicable only to those properties actually discharging stormwater. The option of using the System and/or the surrounding receiving waters is that of the property owner and is paid by choice of the property owner, in that the property owner paying the stormwater management utility fee has the option of not utilizing the System and/or the surrounding receiving water and thereby avoiding such fee.

The City uses a measurement of one equivalent residential unit ("ERU") as the basis for the stormwater management utility fee. The ERU rate is established by ordinance of the City. Based on the Stormwater Utility Rate Study dated September 4, 2014 prepared by Burton & Associates, the City's rate consultant, the City enacted Ordinance No. 14-14 on September 25, 2014 (the "Rate Ordinance"), effective October 1, 2014. Pursuant to the Rate Ordinance, for each ERU the stormwater management utility fee is currently \$9.72 per month. Below is a chart reflecting rates and rate increases for fiscal years 2009 through 2014 as well as adopted rate increases for fiscal years 2015 through 2024:

<u>Effective Date of Rate Increase</u>	<u>Percentage Rate Increase</u>	<u>Rate Per ERU</u>	<u># of ERU's</u>
October 1, 2009	n/a	\$ 6.00	25,425
October 1, 2010	0.00%	6.00	26,506
October 1, 2011	23.33	7.40	26,900
October 1, 2012	18.92	8.80	28,665
October 1, 2013	5.68	9.30	29,110
October 1, 2014	0.00	9.30	29,173
October 1, 2015	4.50	9.72	29,198
October 1, 2016	4.50	10.16	29,223
October 1, 2017	4.50	10.61	29,248
October 1, 2018	3.50	10.98	29,273
October 1, 2019	3.50	11.37	29,298
October 1, 2020	1.50	11.54	29,323
October 1, 2021	1.50	11.71	29,348
October 1, 2022	1.50	11.89	29,373
October 1, 2023	1.50	12.07	29,398
October 1, 2024	1.50	12.25	29,423

Source: City of Dunedin Finance Department

For the purposes of imposing the stormwater management utility fee, all developed property within the City is classified as either residential property or nonresidential property assigned by the City. Vacant unimproved land and streets and rights of way are exempt from the stormwater management utility fee. The stormwater management utility fee for residential property is the rate of one ERU multiplied by the number of dwelling units existing on the property; that is, Fee = ERU rate × number of dwelling units and for nonresidential property is the rate of one ERU multiplied by the numerical factor. The numerical factor is obtained by dividing the total impervious area in square feet of the nonresidential property by 1,708 square feet. The resulting calculation is, Fee = ERU rate × impervious area expressed in square feet/1,708 square feet, but not less than the rate for one ERU.

The minimum stormwater management fee for developed property, whether residential or nonresidential, within the City is equal to the rate for one ERU, subject to reduction. On-site stormwater quality management facilities fee credits are allowed and calculated as follows: (1) In order to encourage the improvement of the quality of stormwater runoff, a reduction in the stormwater management utility fee is authorized for those developed properties which are served by a private stormwater quality management facility designed and constructed for the purpose of stormwater collection, storage, treatment, conveyance and stormwater pollution reduction; (2) A reduction in the stormwater management utility fee is allowed for any developed property only if the stormwater runoff from the property is retained, treated and conveyed by a stormwater quality management facility that has been

designed, constructed and is maintained properly for the purpose of stormwater retention and pollution reduction (if it is determined by the Director that the stormwater quality management facility has not been, nor is currently being, properly maintained as designed, the Director may disallow the on-site stormwater quality management facility credit); (3) For applicable properties meeting the standards described in this section, the stormwater management utility fee shall be reduced up to 100 percent of such fee. All properties which have designed, built and maintained retention basins with no outflow or outlet, as permitted by the City engineer, and which have been designed and maintained to retain and treat stormwater runoff in excess of existing or predevelopment release rates and having sufficient storage capacity constructed on the property to retain and treat stormwater based on the 100-year storm recurrence interval and a rainfall of 24-hour duration which is equal to 10.35 inches may qualify for up to a 100 percent credit of such fee. The amount of reduction of the stormwater management utility fee shall be equal to the percentage of on-site retention and treatment for which the stormwater quality management facility has been designed and continuously maintained by the property owner. Such calculations are required to be submitted to the City by a properly qualified professional engineer and shall be confirmed by the City. The reduced stormwater management utility fee will thereafter be calculated as the fee determined, multiplied by the factor of the percentage of allowable reduction. On an estimated annualized basis, based on the period from September 1, 2014 through September 30, 2014, 1,671 customers of the System (approximately 14%) receive an aggregate credit equal to approximately 14% of the stormwater management utility fee that would have been charged to such customers without application of such credit.

The stormwater management utility fee is reviewed annually by the City to determine any necessary change in the rate per ERU.

Below is a table of the ten largest Stormwater System customers by annual Gross Revenue collections:

#### Ten Largest Stormwater System Customers

<u>Customer</u>	<u>Units (ERU)<sup>(1)</sup></u>	<u>Percentage of Total ERUs</u>	<u>Annual Gross Revenue</u>
Pinellas County Housing Authority	475.00	1.73%	\$53,010
Royal Stewart Arms	450.00	1.64	50,220
Mediterranean Manors	436.00	1.59	48,658
Macalpine Place Apartments <sup>(2)</sup>	482.00	1.32	40,343
Mease Manor	353.00	1.29	39,395
Minute Maid/Coca Cola	335.32	1.22	37,422
Lake Highlander MHP	293.00	1.07	32,699
Chesapeake Apartments <sup>(2)</sup>	354.00	0.97	29,630
Harbour Towne	249.00	0.91	27,788
Pinehurst Village	<u>249.00</u>	<u>0.91</u>	<u>27,788</u>
TOTAL	3,676.32	12.65%	\$386,953

<sup>(1)</sup> 1 ERU equates to 1,708 impervious ft<sup>2</sup>.

<sup>(2)</sup> Receives partial credit for onsite treatment.

Source: City of Dunedin Finance Department

## **Billing, Payment, Penalties and Enforcement**

Statements for the stormwater management utility fee are rendered monthly in accordance with the regular utility billing cycle administered by the City for all properties subject to such fee. The stormwater management utility fee is for services furnished to the property, and the fees therefor are chargeable to the property owner. If the property is tenant-occupied, the property owner may request that the City bill the tenant for the fee. Such instructions shall be in writing. If the property is tenant-occupied and the tenant is to be billed for such fee, any delinquent fee shall be charged against any utility deposit then held by the City. Any payment remaining unpaid on an owner-occupied property for a period of 30 days, shall constitute a lien in favor of the City against the property serviced, except for property owned by a governmental entity, and the proper City officials are authorized and directed to record a lien for such unpaid fee in the county public records. Such lien shall be superior in dignity to any encumbrances on the such property, whether occurring prior to or subsequent to such lien being recorded, except for tax liens, and may be foreclosed by the City attorney as provided by law.

Statements for the stormwater management utility fee shall be payable at the same time and in the same manner and subject to the same penalties as they are otherwise set forth for other utility fees administered by the City. The property owner or fee payer will be notified of any delinquency in the payment of the stormwater management utility fee in the same manner that delinquent water, garbage and sewer bills are notified. The failure to pay such fee as is otherwise provided in the statement rendered to the payer shall subject the property to the discontinuance of water, garbage and sewer services and shall subject the fee payer to all other penalties and charges provided relative to the discontinuance of such utility services.

## **Operating and Capital Reserve Policies**

In accordance with the City's long term financial plan for the System (the "System LTFP"), the City adopted the Rate Ordinance. The City anticipates that the rates set forth therein will allow the City to achieve, by fiscal year ending 2020, and maintain thereafter, a minimum operating reserve in the Stormwater Fund equal to 25% of the Cost of Operation and Maintenance (the "O&M Reserve") and a minimum capital reserve in the Stormwater Fund equal to \$500,000 (the "Capital Reserve"). The minimum O&M Reserve amount and minimum Capital Reserve amount were not established pursuant to the Resolution, but instead are policies of the City established in accordance with the System LTFP. Such amounts may be changed by the City Commission at any time.

## **Historical and Budgeted System Operating Results**

The following table provides historical System operating results for fiscal years ended 2009 through 2013 and budgeted System operating results for fiscal years ended 2014 and ending 2015 and pro forma debt service coverage.

## HISTORICAL SYSTEM OPERATING RESULTS AND PRO FORMA DEBT SERVICE COVERAGE

	Fiscal Years Ending September 30						
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	2014 (final budget)	2015 (budgeted)
Operating Revenues <sup>(1)</sup>	\$1,682,997	\$1,887,145	\$2,270,391	\$2,693,752	\$2,937,216	\$2,966,510	\$3,278,473
Non Operating Revenue							
Interest and Other Revenues	(18,537)	27,063	15,940	13,416	1,419	12,539	6,785
Capital Grant Revenue	<u>842,782</u>	<u>628,771</u>	<u>822,883</u>	<u>1,943,508</u>	<u>0</u>	<u>968,000</u>	<u>1,420,000</u>
Total Gross Revenues	\$2,507,222	\$2,542,979	\$3,109,214	\$4,650,676	\$2,938,635	\$3,947,049	\$4,705,258
Operating Expenses <sup>(2)</sup>	1,146,911	1,200,247	1,277,207	1,298,022	1,464,095	1,353,572	1,827,914 <sup>(3)</sup>
Net Revenues Available for Debt Service	1,360,311	1,342,732	1,832,007	3,352,654	1,474,540	2,593,477	2,877,344
Parity Debt Bond Service Requirement	224,177 <sup>(4)</sup>	224,307 <sup>(4)</sup>	223,941 <sup>(4)</sup>	258,750 <sup>(4)</sup>	145,385 <sup>(5)</sup>	341,122 <sup>(5)</sup>	397,164 <sup>(5)</sup>
Parity Debt Actual Coverage Ratio (1.25% of Bond Service Requirement Required)	6.07x	5.99x	8.18x	12.96x <sup>(6)</sup>	10.14x	7.60x <sup>(3)</sup>	7.24x
Pro Forma Parity Debt Bond Service Requirement <sup>(7)</sup>	355,000	355,000	355,000	355,000	355,000	355,000	355,000
Total Pro Forma Non Parity Bond Service Requirement	579,177	579,307	578,941	613,750	500,385	696,122	752,164
Total Parity Debt Pro Forma Coverage Ratio (1.25% of Bond Service Requirement Required)	2.35x	2.32x	3.16x	5.46x	2.95x	3.73x	3.83x
Non Parity Bond Service Requirement <sup>(8)</sup>	0	0	0	0	40,804	105,185	120,361
Total Pro Forma Parity and Non Parity Bond Service Requirement <sup>(9)</sup>	579,177	579,307	578,941	613,750	541,189	801,307	872,525
Total Pro Forma Parity and Non Parity Coverage Ratio	2.35x	2.32x	3.16x	5.46x	2.72x	3.24x	3.30x

[Footnotes continued on next page]

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- (1) Total revenues, exclusive of impact fees, transfers in and capital grant revenue.
- (2) Operating expenses are the Costs of Operation and Maintenance of the System exclusive of depreciation, capital and reserves.
- (3) The increase in budgeted operating expenses for fiscal year ending 2015 is the result of reclassifying as Costs of Operation and Maintenance annual repair and maintenance expenses that were previously treated as capital expenses. This reclassification will be a continuing policy of the City. Had this policy been in place for fiscal year ended 2014, the Parity Debt Actual Coverage Ratio for such year would have been 6.85x and the Total Actual Coverage Ratio for such year would have been 2.92x.
- (4) Prior to 2012, all of the City's utility revenues (including the Gross Revenues of the Stormwater System) were pledged to outstanding utility debt of the City relating to the water and sewer system of the City and the Stormwater System. The amounts shown in 2009 through 2012 include debt service on that portion of the Utility System Refunding Revenue Bonds, Series 1993 (the "1993 Bonds"), the Utility System Refunding Revenue Bonds, Series 2006 (the "2006 Bonds"), and the Utility System Revenue Bonds, Series 2007 (the "2007 Bonds") allocable to the Stormwater System.
- (5) In 2012, the City defeased the 1993 Bonds and refunded a portion of the 2007 Bonds through the issuance of its Stormwater System Revenue Bond, Series 2012 (the "Stormwater 2012 Bond"). At the same time, the 2006 Bonds and the remainder of the 2007 Bonds were refunded through the City's issuance of its Water and Sewer System Refunding Revenue Bonds, Series 2012 (the "Water and Sewer 2012 Bonds"). After issuance of the Stormwater 2012 Bond and the Water and Sewer 2012 Bonds, the Gross Revenues of the Stormwater System were pledged only to the Stormwater 2012 Bond. Therefore, the amounts shown in 2013 through 2015 include debt service only on the Stormwater 2012 Bond.
- (6) Coverages shown for fiscal year 2012 are increased due to a non recurring capital grant received in such fiscal year in the amount of \$1,943,508.
- (7) Includes debt service only on the Series 2014 Bonds (estimated based on current market conditions).
- (8) Includes debt service on a portion of the Water and Sewer 2012 Bonds that refunded the 2006 Bonds and the 2007 Bonds that the City has allocated to the Stormwater System. While the City allocates these amounts to the Stormwater Fund to be paid from the Gross Revenues of the Stormwater System, the Water and Sewer 2012 Bonds do not have a lien on the Gross Revenues and such debt service is not required to be taken into account for purposes of the issuance of Additional Parity Obligations or for satisfaction of the rate covenant under the Resolution.
- (9) Includes debt service on the Stormwater 2012 Bond and the Series 2014 Bonds (based on current market conditions) and a portion of debt service on the Water and Sewer 2012 Bonds that the City pays from the Gross Revenues of the System as described in footnote 8.

Source: City of Dunedin Finance Department

The following table provides an historical statement of revenues, expenses and changes in fund net assets for the Stormwater Fund for fiscal years ended 2009 through 2013 and budgeted amounts for fiscal year ended 2014.

**HISTORICAL STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS STORMWATER FUND**

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY2013</u>	<u>FY 2014 (Final Budget)<sup>(1)</sup></u>
Operating revenues:						
Charges for services	\$1,682,977	\$1,887,145	\$2,270,391	\$2,666,762	\$2,937,064	\$2,966,510
Other operating revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,990</u>	<u>152</u>	<u>-</u>
Total operating revenues	1,682,977	1,887,145	2,270,391	2,693,752	2,937,216	2,966,510
Operating expenses:						
Personal services	547,866	583,469	622,724	645,001	729,729	803,377
Supplies and services	599,045	616,778	654,483	653,021	734,366	530,195
Depreciation	<u>314,966</u>	<u>481,673</u>	<u>557,430</u>	<u>750,642</u>	<u>1,036,463</u>	<u>-</u>
Total operating expenses	1,461,877	1,681,920	1,834,637	2,048,664	2,500,558	1,333,572
Operating income (loss)	221,100	205,225	435,754	645,088	436,658	1,632,938
Non-operating revenues (expenses):						
Investment earnings (loss)	(18,537)	27,063	15,940	13,416	1,419	12,539
Loss on early extinguishment of debt	-	-	-	(16,327)	-	-
Grant revenue	-	-	-	-	-	-
Interest/amortization	(192,924)	(167,034)	(48,437)	(133,292)	(235,516)	(222,884)
Gain (loss) on disposal of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	(211,461)	(139,971)	(32,497)	(136,203)	(234,097)	(210,345)
Income before contributions and transfers	9,639	65,254	403,257	508,885	202,561	1,422,593
Contributions - other funds	-	-	-	-	-	-
Contributions – grants	842,782	628,771	822,883	1,943,508	-	968,000
Contributions - special assessments/charges	-	-	7,113	-	-	-
Transfers in	-	922,825	918,300	200,000	35,645	-
Transfers out	<u>(840)</u>	<u>-</u>	<u>-</u>	<u>(82,779)</u>	<u>-</u>	<u>(15,848)</u>
Change in net assets	851,581	1,616,850	2,151,553	2,569,614	238,206	2,374,745
Total net assets – beginning	5,584,857	6,436,438	8,053,288	10,204,841	12,774,455	13,022,016
Total net assets – ending	<u>\$6,436,438</u>	<u>\$8,053,288</u>	<u>\$10,204,841</u>	<u>\$12,774,455</u>	<u>\$13,012,661</u>	<u>\$15,396,761</u>

(1) Fiscal year 2014 final budget amounts do not include capital, depreciation, amortization or principal payments.

Source: City of Dunedin Finance Department

## RISK FACTORS

The future financial condition of the System could be affected adversely by, among other things, legislation, environmental and other regulatory actions as set forth above, changes in demand for services, economic conditions, demographic changes, and litigation. In addition to those items listed above, some of the possible changes in the future may include, but not be limited to, the following:

1. The City's stormwater facilities are subject to regulation and control by numerous federal, state and local governmental agencies. The City cannot predict future policies such agencies may adopt. Future changes could result in the City having to discontinue operations at certain facilities or to make significant capital expenditures and could generate substantial litigation.

2. Estimates of revenues and expenses contained in this Official Statement and the realization of such estimates, are subject to, among other things, future economic conditions, the potential occurrence of natural disasters including hurricanes, or other conditions which are unpredictable and which may adversely affect such revenues and expenses, and in turn, the payment of the Series 2014 Bonds.

## INVESTMENT POLICY

Pursuant to Resolution No. 02-39 of the City Commission adopted on November 7, 2002, as amended by Resolution No. 10-05 of the City Commission adopted on February 18, 2010, the Director of Finance of the City is authorized to invest and reinvest surplus funds in certain "Eligible and Suitable Investments" consisting of:

(a) Direct Obligations of the United States, but not limited to: (i) U.S. Treasury Bills, (ii) U.S. Treasury Notes, (iii) U.S. Treasury Bonds, and (iv) Federal Agencies including Government National Mortgage Association (GNMA), Veteran's Administration (VA) and Federal Housing Administration (FHA).

(b) Federally-Supported Agencies and Instrumentalities, but not limited to (i) Federal Home Loan Bank (FHLB), (ii) Federal Farm Credit Bank (FFCB), (iii) Federal National Mortgage Association (FNMA), (iv) Federal Home Loan Mortgage Association (FHLMC), and (v) Federal Agriculture Mortgage Corporation.

(c) Local Government Investment Pools (LGIP's) authorized under Chapter 163, Part I, Florida Statutes, including: (i) Local Government Surplus Funds Trust Fund (State Board of Administration (SBA), (ii) Florida Local Government Investment Trust, and (iii) Florida Municipal Investment Trust.

(d) Debt issued by the State of Florida or any political subdivisions thereof.

(e) Money Market Mutual Funds registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7, which stipulates money market funds must have an average weighted maturity of 90 days or less. These funds shall have a rating of at least Aam or Aam-G by S&P, or the equivalent by another rating agency.

(f) Time deposits and savings accounts organized under the laws of Florida and/or in national banks organized under the laws of the United States and doing business and situated in Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, F.S. Chapter 280.

(g) Commercial paper issued by corporations organized and doing business in the U.S. having a rating of at least two of the following three ratings: A-1, P-1, and F-1, as rated by S&P, Moody's Investors Service, Inc. and Fitch Ratings, respectively.

(h) Overnight Repurchase Agreements collateralized 101% with direct obligations of the United States; said collateral to be held by the trust department of the bank or custodian bank.

The Director of Finance is required to exercise extreme caution in the use of derivatives and will consider their use only after developing a sufficient understanding of the products and having obtained the expertise to manage them.

The City's investment policy may be modified by the City Commission from time to time.

#### **LEGAL MATTERS**

Certain legal matters in connection with the authorization, issuance and sale of the Series 2014 Bonds are subject to the approval of Bryant Miller Olive P.A., Tampa, Florida, Bond Counsel, whose approving opinion will be available at the time of delivery of the Series 2014 Bonds.

The proposed form of Bond Counsel opinion is attached hereto as Appendix D and reference is made to such form of opinion for the complete text thereof. The actual legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of the 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 (1) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2014 Bonds; provided, however, that Bond Counsel will render an opinion to the Underwriter and the City relating to the accuracy of certain statements contained hereunder under the heading "TAX MATTERS" and certain statements which summarize provisions of the Resolution and the Series 2014 Bonds, and (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2014 Bonds.

Certain letters matters will be passed upon for the City by Trask, Metz & Daigneault L.L.P., Dunedin, Florida, City Attorney and Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel.

#### **LITIGATION**

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 2014 Bonds, or any

proceedings or transactions relating to their issuance, sale, execution, or delivery, or the adoption of the Resolution, or the pledge of the Pledged Revenues. Neither the creation, organization or existence, nor the position of the present members of the City Commission, or other officers of the City is being contested.

The City experiences routine litigation and claims incidental to the conduct of its affairs. In the opinion of the City Attorney, there are no actions presently pending or threatened, the adverse outcome of which would have a material adverse effect on the availability of the Pledged Revenues or the ability of the City to pay the Series 2014 Bonds from the Pledged Revenues. From time to time, the City is party to other various legal proceedings which individually are not expected to have a material adverse effect on the operations or financial condition of the City or the System, but may, in the aggregate, have a material impact thereon. However, in the opinion of the City Attorney, the City and/or its insurance carrier will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences.

### **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 which reports to the Florida Financial Services Commission (the "Commission"). Pursuant to administrative rulemaking, the Commission 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 bond issued since December 31, 1975 that would be considered material by a reasonable investor.

The City has not undertaken an independent review or investigation of securities for which it has served as conduit issuer. The City does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2014 Bonds because the City would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the City would have been pledged or used to pay such securities or the interest thereon.

### **TAX MATTERS**

#### **General**

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2014 Bonds in order that interest on the Series 2014 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2014 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2014 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2014 Bonds and the other amounts are to be invested and require that certain

investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The City has covenanted in the Covenant Ordinance with respect to the Series 2014 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2014 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2014 Bonds is excluded from gross income for purposes of federal income taxation. Interest on the Series 2014 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations; however, interest on the Series 2014 Bonds may be subject to the federal alternative minimum tax when any Series 2014 Bond is held by a corporation. The federal alternative minimum taxable income of a corporation must be increased by seventy-five percent (75%) of the excess of such corporation's adjusted current earnings over its alternative minimum taxable income (before this adjustment and the alternative tax net operating loss deduction). "Adjusted Current Earnings" will include interest on the Series 2014 Bonds.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2014 Bonds. Prospective purchasers of Series 2014 Bonds should be aware that the ownership of Series 2014 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2014 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Series 2014 Bonds; (iii) the inclusion of interest on Series 2014 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2014 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2014 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the City, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2014 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2014 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.**

### **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2014 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This

reporting requirement does not affect the excludability of interest on the Series 2014 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2014 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2014 Bonds and proceeds from the sale of Series 2014 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2014 Bonds. This withholding generally applies if the owner of Series 2014 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2014 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **Other Tax Matters**

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 2014 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2014 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 2014 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2014 Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2014 Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of, the Series 2014 Bonds.

Prospective purchasers of the Series 2014 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2014 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

### **Tax Treatment of Original Issue Discount**

Under the Code, the difference between the maturity amount of the Series 2014 Bonds maturing on \_\_\_\_\_ (collectively, 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 the Discount Bonds of the same maturity and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the

Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondholders of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bonds.

### **Tax Treatment of Bond Premium**

The difference between the principal amount of the Series 2014 Bonds maturing on \_\_\_\_\_ (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 and, if applicable, interest rate, 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 of the Premium Bonds, which ends on the earlier of the maturity or call date for each of the Premium Bonds which minimizes the yield on such Premium Bonds to the purchaser. 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 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. Bondholders of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such Premium Bonds.

### **RATINGS**

S&P has assigned a rating of "\_\_\_" (\_\_\_ outlook) to the Series 2014 Bonds. The rating reflects only the views of said rating agency and an explanation of the rating may be obtained only from said rating agency. There is no assurance that such rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by the rating agency, if in its judgment, circumstances so warrant. A downward change in or withdrawal of any of such rating, may have an adverse effect on the market price of the Series 2014 Bonds. An explanation of the significance of the rating can be received from the rating agency, at the following addresses: Standard & Poor's Ratings Services, 55 Water Street, 38<sup>th</sup> Floor, New York, New York 10041.

### **FINANCIAL ADVISOR**

The City has retained D.A. Davidson & Co., Denver, Colorado, 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 2014 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.

## FINANCIAL STATEMENTS

The Audited Basic Financial Statements of the City for the fiscal year ended September 30, 2013, and report thereon of Moore Stephens Lovelace, P.A. (the "Independent Certified Public Accountants") are attached hereto as "APPENDIX B – Audited Basic Financial Statements for Fiscal Year Ended September 30, 2013." Such statements speak only as of September 30, 2013. Such statements, including the report of Independent Certified Public Accountants, have been included in this Official Statement as public documents and the consent of the Independent Certified Public Accountants to include such documents herein was not requested. The Independent Certified Public Accountants were not requested nor did they perform any procedures with respect to the preparation of this Official Statement or the information presented herein.

## UNDERWRITING

The Series 2014 Bonds will be purchased by Piper Jaffray & Co. (the "Underwriter") at an aggregate purchase price of \$\_\_\_\_\_ (which includes a net original issue premium/discount of \$\_\_\_\_\_ and an Underwriter's discount of \$\_\_\_\_\_). The Underwriter's obligations is subject to certain conditions precedent, and it will be obligated to purchase all of the Series 2014 Bonds if any Series 2014 Bonds are purchased. The Series 2014 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2014 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 Underwriter.

The Underwriter and Pershing LLC, a subsidiary of The Bank of New York Mellon Corporation, have entered into an agreement which enables Pershing LLC to distribute certain municipal securities underwritten by or allocated to the Underwriter, including the Series 2014 Bonds. Under this agreement, the Underwriter will share with Pershing LLC a portion of the fee or commission paid to the Underwriter.

The Underwriter has also entered into a distribution agreement with Charles Schwab & Co., Inc. (CS&Co.) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to this agreement, CS&Co. will purchase the Series 2014 Bonds from the Underwriter at the original issue price less a negotiated portion of the selling concession applicable to any Series 2014 Bonds that CS&Co. sells.

## 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 2014 Bonds. Payment of the fees of such professionals and a discount to the Underwriter (including the fees of their counsel) are each contingent upon the issuance of the Series 2014 Bonds.

## **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Series 2014 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 2014 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2014 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 C -- 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 2014 Bondholders to provide certain financial information and operating data relating to the City and the Series 2014 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 (the "SEC") to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934 (the "Rule") either itself or through its dissemination agent. 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 either itself or through its dissemination agent.

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 Certificate" attached hereto. The Continuing Disclosure Certificate shall be executed by the City upon the issuance of the Series 2014 Bonds. These covenants have been made in order to assist the Underwriter in complying with the continuing disclosure requirements of the Rule.

With respect to the Series 2014 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. For the fiscal years ended September 30, 2007, 2008, 2009 and 2011, the City inadvertently failed to comply with the City's obligation to timely submit certain audited financial statements, financial information, operating data and certain other information. Upon realizing the failure to comply, the City reported such circumstance in accordance with the requirements of the Rule, and cured such filings on January 26, 2010, January 25, 2011 and May 22, 2012. The City fully anticipates satisfying all future disclosure obligations required pursuant to the Rule.

## **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 and 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 2014 Bonds, the security for the payment of the Series 2014 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument.

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 2014 Bonds.

The appendices attached hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

### **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 2014 Bonds, 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 MATTERS" as to which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2014 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 DUNEDIN, FLORIDA

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

By: \_\_\_\_\_  
City Manager

## APPENDIX A

### GENERAL INFORMATION CONCERNING THE CITY

#### Location

The City of Dunedin, Florida (the "City") is located to the north of Clearwater, Florida, and to the north and west of Tampa on the west central coast of Florida. The City's western coastline stretches for four miles along the St. Joseph's Sound. A string of barrier islands separates the Sound from the Gulf of Mexico with several passes linking the two bodies of water. St. Joseph's Sound is part of the Intercoastal Waterway. The City's western boundary line extends just beyond the Caladesi Island and Honeyymoon Island State Parks and includes submerged lands within this area.

The City is located in Pinellas County, a county that forms a peninsula bounded on the east by Tampa Bay and on the west by the Gulf of Mexico. It is the second smallest county in terms of land area (274 square miles), but the most densely populated (4.0 persons per acre) of all Florida counties.

#### Climate

Situated as it is, directly on the Gulf of Mexico, the City's weather is tempered in winter and cooled in summer by the close proximity of the Gulf's water and its breezes.

Rainfall approximates some 50 inches per year with the heaviest rains occurring during the months of June through September, also helping to cool temperatures when needed most. Some rainfall is experienced throughout the year.

#### Population

The current permanent population estimate for the City is approximately 35,247. This represents a decrease of approximately 673 persons (-1.9%) since 2010. Approximately 27.9% of the City's population is sixty-five years of age or older, 57.2% are between the ages of 18 and 64, and 14.9% are under 18 in 2010 according to the U.S. Census Bureau.

Educational attainment information indicates that about 91.2% of the City's residents 25 years of age or older are high school graduates. Approximately 26.45% have a bachelor's degree or higher.

#### History

Founded in 1870, the City is the oldest town in the Florida Gulf Coast south of Cedar Key. It received its name from two Scottish settlers who petitioned the government for a post office to be named Dunedin, for their native Edinburgh, Scotland. "DUN" means rock and "EDIN" means castle – "Castle on the Rock."

The Scottish tradition has been honored through the years in architecture and street names, and today, still exerts a strong influence over many aspects of community life.

The City has grown slowly and steadily over the years, successfully resisting the temptations that have led most of the Florida coastline to develop uncontrollably. It is because of this concern for the City that Dunedin has realized a comfortable blend of business and residence, has experienced the

stability of age and the excitement of youth, combining the perspective of history and a vision for the future.

## **Government**

### *The City*

The City was incorporated in 1899, currently occupies a land area of 10 square miles and serves a population of approximately 35,600. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the hereinafter described City Commission.

The City operates under the commission-manager form of government. Policy-making and legislative authority are vested in a governing body consisting of the Mayor and four Commissioners of the City (the "City Commission"). The City Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Clerk, City Attorney and independent auditor. The City Manager is responsible for carrying out the policies and ordinances of the City Commission, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The City Commission is elected on a non-partisan basis. City Commission members, including the mayor, serve four-year staggered terms, with up to two commission members elected any given year. The Mayor and the City Commission members are elected at large.

The City provides a full range of services, including contracted law enforcement and fire protection; the construction and maintenance of highways, streets, and other infrastructure; library, parks and recreation, marina, golf course, spring training facilities (for the Toronto Blue Jays), water and sewer, reclaimed water and solid waste. The City also has a Community Redevelopment Agency which is reported within the City's financial statements.

The City Commission is required to hold two (2) public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The annual budget serves as the foundation for the City's financial planning and control. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., fire). Department heads may make transfers of appropriations within a department and fund. Transfers of appropriations between funds, however, require the approval of the City Commission.

### *Pinellas County*

Pinellas County, Florida (the "County") is governed by a seven member Board of Commissioners. A professional County Administrator is responsible for administering programs in accordance with the policies established by the Board of Commissioners. The County provides service in the areas of elections, tax collection, property appraisal, offender detention, public transportation, and park land development. State statutes require that the County provide operational support (i.e. facilities, clerical staffing, etc.) for the Circuit Court judicial system, the State Attorney's Office, and the Public Defender's Office. In addition, the County provides welfare and social service assistance in the form of clinics, counseling, and referrals.

## **General Obligation Credit Ratings**

Standard & Poor's Ratings Services and Moody's Investors Service, Inc. have assigned ratings of "AA" (stable outlook) and "Aa2," respectively to the City's general obligation credit. The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. An explanation of the significance of the ratings can be received from the rating agencies at the following addresses: Standard & Poor's Ratings Services, 55 Water Street, 38<sup>th</sup> Floor, New York, New York 10041 and Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, 23<sup>rd</sup> Floor, New York, New York 10007.

## **Transportation**

The County and the City are served by three major causeways and bridges over Tampa Bay, by U.S. 19 and I-275 to the north and south, by I-4 and U.S. 60 to the east. State Roads 590 and 686 also afford access to the City.

Tampa International Airport, located approximately twenty miles from the City, provides air travel access with approximately 212 national and international flights daily. Limousine and taxi service to and from the airport is available from the City and through Pinellas County. St. Petersburg/Clearwater International Airport, approximately eight miles from the City, offers regularly scheduled passenger service and charter and special group flights, on a more limited basis to both domestic and foreign destinations, particularly to Canada, Mexico, and Central and South America. The Clearwater Executive Airpark, located approximately two miles south of the City, provides service and maintenance for private plane owners. The airport has one 3,300 foot hard-surface runway and facilities for visiting and locally based planes.

The Port of Tampa (approximately 22 miles to the east) is the closest deep water port. The port is serviced by a variety of steamship agents and operators. The United States Coast Guard maintains an air station at the St. Petersburg/Clearwater International Airport, and a search and sea rescue cutter station on Clearwater Harbor opposite Sand Key.

Gulf Coast Motor Lines provides service daily between Clearwater, St. Petersburg and Tampa and makes connections with Greyhound and Trailways Bus Lines in Tampa. Scenic tours are available via Gray Line, and both Gray Line and Gulf Coast have buses for charter. Pinellas Suncoast Transit System maintains 37 routes in 24 municipalities in Pinellas County.

For those arriving by boat, there are several fully equipped marinas with rental boat slips and complete facilities.

## **Economy**

The economy of the City is primarily dependent upon tourism, services and retirement living. The City mainly consists of residential land uses (45%) and recreational land uses (29%). Industrial and commercial land uses comprise only one percent and four percent, respectively, of the City's land area. Major employers include the Pinellas County School System, Mease Dunedin Hospital (a medical complex), Publix, Mease Manor (a retirement facility), the City, Coca-Cola North America, Achieva Credit Union and Pinellas County Sheriff-North District. The service industry (banking, retailing,

personal services, etc.) has risen significantly to meet the demands of the area's population. The City's total labor force was 16,928 in September 2013, unemployment for Pinellas County and the City was 7.1% and 6.2% respectively. Per capita income in the City in 2013 was \$37,732. Per capita income in Pinellas County in 2013 was \$27,356.

The retirement population continues to influence the local economy. Approximately 28% of the City's residents were of retirement age (65 and over) in 2013. The City has many retirement homes, condominiums and apartment complexes which accommodate retirees. The median age of the City's citizens is 53.3 years of age. The local economy is also influenced during the winter months by a seasonal population of approximately 4,000 people.

#### Cash Management Policies and Practices.

Cash balances during the year were invested in approved Bank of America (checking) and State Board of Administration investment pools, Florida SAFE local government investment pool, and governmental money market accounts. These investments remained highly liquid with a weighted average maturity of one day. The City's average yield on investments (excluding pension funds) as of September 30, 2013 was 0.224%.

#### Risk Management.

The Self-Insurance Fund is maintained as an Internal Service Fund and charges its operating costs annually among all City cost centers. The allocations are based on various exposure factors (i.e.; number of personnel, property values, etc.) along with past claims experience.

The City utilizes this fund to self-insure the first \$250,000 of property damage for all perils other than wind, named storm and hail. For the perils of named storm, wind or hail, the City self-insures the first 5% of the total insured value at the time of loss at each location, subject to a minimum deductible of \$500,000 for any one occurrence, to a maximum of \$4,500,000 per occurrence. The City self-insures up to \$1,000 for flood insurance. The City must also self-insure the first \$350,000 of claims for employee work-related injuries. The City insures automobiles over \$50,000 in value and self-insures the majority of general liability losses. The sovereign immunity cap is \$200,000 per person and \$300,000 per incident.

#### **Utilities and Communications**

The City's Department of Public Works & Utilities provides certain services to its citizens. These services include water supply, sewer treatment and solid waste collection and disposal. Water quality and supply are being improved by the City and adequate sewer facilities and treatment continue to be of the highest priority. The City is continuing work on a reclaimed wastewater irrigation system which reduces the demand on potable water sources.

The City collects refuse from residential areas twice weekly. Solid waste is disposed of in the Resources Recovery Plant which is under the administrative control of Pinellas County. This disposal method replaced landfill operations in 1983 and is the required method for all solid waste disposal in Pinellas County. The City has also instigated a recycling program for paper, glass and plastic products within the refuse collection area and the municipal office buildings.

Duke Energy, which serves a major section of the state, provides electric service while Verizon provides telephone service.

The major daily newspapers serving the City and Pinellas County are the Tampa Bay Times and the Tampa Tribune.

### **Education**

The Pinellas County School System operates as a separate political entity with its own taxing authority. The Pinellas County School Board is an elected body of seven members which establishes educational policy. An appointed superintendent reports to the Pinellas County School Board and is responsible for the administration of the system.

Five four-year colleges and universities serve the County: Florida Institute of Technology, Eckerd College, the University of South Florida, with campuses in Tampa and St. Petersburg, St. Petersburg College and Stetson University College of Law. Junior/community colleges in the County include Remington College, Keiser College and Clearwater Christian College. Pinellas Technical Education Center, St. Petersburg Vo-Tech School, Tampa Technical Institute, National Aviation Academy, JobsCorp and ITT Technical Institute provide the County's students with data processing, electronic technology, robotics/computer-aided technology and other vocation training.

### **Cultural and Recreational Facilities**

Recreation in the City tends to be outdoors for the most part, taking advantage of the temperate climate and superb weather that the City residents and visitors enjoy throughout the year. There are two state owned parks in the area. Caladesi State Park is an exclusive island accessible only by boat. The island may be reached by a ferry which leaves the Dunedin Causeway area, just inside the entrance to the Honeymoon Island State Recreation Area daily. Honeymoon Island is one of Florida's most beautiful state parks with a beach and hundreds of acres of nature trails.

Dunedin Country Club has an 18-hole course with full facilities that was formerly the National PGA Golf Course.

Several par three layouts are available in the Greater Dunedin Area (some lighted for night play), and a number of "executive" courses have been developed. They are longer and more challenging than the par threes, but not as demanding as the full length championship courses.

Facilities for enjoying tennis include both municipal courts and private clubs, with some extending guest privileges to visiting members of similar clubs. Several of the tennis courts are lighted for night play.

An almost limitless world of boating opportunities awaits resident and visiting boatmen in the City. The municipal and two privately operated marinas are hosts to a variety of crafts from outboard runabouts to ocean sailing yachts.

Adjacent to the municipal marina and the downtown area is Edgewater Park. This park is the site of the City's annual Fourth of July USA Celebration.

The City ranks among the top fishing spots in Florida, offering both inshore fishing in the bays and inlets as well as offshore in the Gulf of Mexico. This area is known for its catches of snook, trout, redfish and tarpon; and with just a short run into the Gulf, are grouper, snapper, kingfish and mackerel.

Access to all of the areas fine fishing is available to the visiting fisherman, from the largest sportfishing charter boats venturing far offshore to the smallest rental skiffs for bay fishing. Good results are also enjoyed by anglers fishing from the city municipal pier.

One of the finest swimming and diving complexes to be found anywhere in Florida is the Highlander Pool located on three acres at Fisher Field. Completed in 1979, the "L" shaped pool is 25 yards long by 25 meters wide with a separate training pool and bathhouse. Designed for both recreation and competition swimming and diving programs, it offers two one-meter diving boards and one three meter board. Since the pool is heated during the winter months, the complex is open to the public and able to offer programming throughout the year.

The Dunedin Community Center, Stirling Recreation Center, Highlander Park and the new Louis A. Vanech Recreation Complex are home to numerous ongoing cultural and recreational activities as well as special events. Special events include: the annual Heather and Thistle Hobby and Craft Show in April at the Dunedin Community Center, the Annual Home Show in April at the Stirling Recreation Center, and the Dunedin Highland Games also in April and the Art Harvest in November at Highlander Park.

The Dunedin Fine Arts and Cultural Center is a public/non-profit organization that offers cultural activities and programs to the public. Included are free public exhibitions that change monthly, a wide array of classes for all age groups, community service programs, volunteer programs, and varied musical programs. The Center also serves as an information center for the Arts in the greater Dunedin area.

In nearby Clearwater, the Performing Arts Center and Theatre, Inc./Ruth Eckerd Hall offers a diversified array of cultural activities and programs featuring performing artists of national and international acclaim. The Hall's 2,200 seat theatre allows the public to enjoy varied dance, musical and theatrical performances. A 5,000 square foot banquet/recital room as well as the Hall itself, are available for use by community groups for a slight fee.

Since 1977, the City is the spring training headquarters for the Toronto Blue Jays, the City has continuously made efforts to maintain the Jay's facilities with the construction of the Englebert Sports Complex, a three diamond training complex, and the latest being a new stadium. Six other major league baseball teams hold their spring training within seventy-five miles of the City, in addition to a number of minor league teams. The Tampa Bay Rays professional baseball team plays in St. Petersburg, and also nearby, the Tampa Bay Buccaneers afford an opportunity to see professional football. The Tampa Bay Lightning and the Tampa Bay Storm offer professional hockey and arena football, respectively, and in-season there is horse racing in Oldsmar (December through March), dog racing in Tampa (September through December and January through May in St. Petersburg) and Jai-alai in Tampa (January through May).

### **Other Community Services**

Mease's main hospital is located in the City with 143 beds and approximately 498 employees within the City. Additional medical facilities surround the hospital and provide support services. Four nursing homes are located in the City and contain 417 beds.

The municipally operated Dunedin Senior Center provides a place for elderly citizens to gather, mix with friends and make new ones. The Center provides senior citizens with active social and

recreational programs. The City of Dunedin's Recreation Division annually hosts the Dunedin Senior Olympiad, a day of athletic competition open to participants aged 55 and older.

**Ten Largest Taxpayers in the City of Dunedin  
As of September 30, 2013**

<u>Name of Company</u>	<u>Just Valuation of Properties</u>
MacAlpine Place Apartments	\$35,500,000
Cheasapeake Apartments	14,900,000
MHC Lake Haven, L.L.C.	9,050,000
Walnut & Vine Properties II LLC	8,295,108
Odyssey DP I LLC	8,277,500
Scottish Towers II Apt LTD Partnership	7,000,000
SES Group – Windmere LTD	6,738,058
Bell Weathersfield Commons LLC	6,700,000
Coca-Cola Company Inc.	6,667,883
Publix Super Markets Inc.	6,512,000

Source: Pinellas County Property Appraiser

**Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ended	Taxable Assessed Valuation	Millage Tax Rate	Total Tax Levy	Amount <sup>(1)</sup>	Percentage of Levy	Delinquent Collections <sup>(2)</sup>	Amount	Percentage of Levy
September 30								
2004	\$1,607,701,960	4.4253	\$7,114,563	\$6,760,523	95.0%	\$17,182	\$6,777,705	95.3%
2005	1,760,154,140	4.4253	7,789,210	7,299,459	93.7	16,863	7,316,322	93.9
2006	1,997,468,859	4.4253	8,839,399	8,347,924	94.4	7,773	8,355,697	94.5
2007	2,344,929,424	4.0934	9,598,734	9,016,741	93.9	11,716	9,028,457	94.1
2008	2,553,134,902	3.5597	9,088,394	8,075,170	88.9	439,190	8,514,360	93.7
2009	2,318,716,068	3.5597	9,304,361	7,731,980	83.1	22,968	7,754,948	83.4
2010	2,023,627,504	3.5597	7,203,507	6,763,013	93.9	21,039	6,784,052	94.2
2011	1,827,408,488	3.5597	6,505,022	6,111,943	94.0	14,636	6,126,579	94.2
2012	1,771,816,194	3.3817	5,991,747	5,723,281	95.5	119	5,723,400	95.5
2013	1,719,145,488	3.3817	5,813,631	5,269,249	90.6	134,104	5,403,353	92.9

(1) These amounts are net of discounts taken. Discounts are allowed for early payment: 4% for November, 3% for December, 2% for January, and 1% for February.

(2) This column represents delinquent collections received that fiscal year.

Source: City of Dunedin, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2013.

**Building Permits  
2003-2013**

<u>Year Ended</u>	<u>Number</u>	<u>Value</u>
2013	6,515	\$56,841,446
2012	5,565	47,516,476
2011	4,600	43,901,894
2010	4,683	35,278,097
2009	4,294	34,960,242
2008	4,150	32,710,414
2007	4,425	62,082,000
2006	5,948	60,917,348
2005	8,460	82,292,236
2004	6,996	46,377,597
2003	4,724	54,539,030

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Source: Pinellas County Budget Department

**Ten Principal Employers in Dunedin  
As of September 30, 2013**

<u>Name of Employer</u>	<u>Number of Employees</u>
Pinellas County School System	687
Mease Dunedin Hospital	498
Publix Supermarkets	370
City of Dunedin	340
Mease Manor	300
Coca Cola North America	205
Pinellas County Sheriff – North District	174
Consumer Sales Solutions	160
Wal-Mart Neighborhood Markets	107
Bon Appetit	85

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Source: City of Dunedin Community Services Department

**Franchise and Utility Tax Revenues  
2004-2013**

<u>Year</u>	<u>Franchise Tax</u>	<u>Utilities Tax</u>
2004	\$2,094,111	4,134,755
2005	2,222,492	4,095,884
2006	2,618,432	4,253,827
2007	2,600,247	4,273,255
2008	2,474,338	4,248,062
2009	2,811,613	4,713,985
2010	2,935,741	4,807,075
2011	2,707,724	4,534,665
2012	2,541,409	4,208,418
2013	2,371,745	4,223,089

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Source: City of Dunedin Finance Department

**FLORIDA CONSTITUTIONAL LIMITATIONS AND PROPERTY TAX REFORM**

Several Constitutional and Legislative amendments affecting ad valorem taxes have been approved by voters in the past including the following:

Save Our Homes Amendment. By voter referendum held on November 3, 1992, Article VII, Section 4 of the State Constitution was amended by adding thereto a subsection which, in effect, limits the increases in assessed just value of homestead property to the lesser of (1) three percent of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. Further, the amendment provides that (1) no assessment shall exceed just value, (2) after any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status, (3) new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead, and (4) changes, additions, reductions or improvements to homestead shall initially be assessed as provided for by general law, and thereafter as provided in the amendment. This amendment is known as the "Save Our Homes Amendment." The effective date of the amendment was January 5, 1993 and, pursuant to a ruling by the Florida Supreme Court, it began to affect homestead property valuations commencing January 1, 1995, with 1994 assessed values being the base year for determining compliance.

Millage Rollback Legislation. In 2007, the Florida Legislature adopted Chapter 2007-321, Laws of Florida, a property tax plan which significantly impacted ad valorem tax collections for State local governments. One component of the adopted legislation required counties, cities and special districts to rollback their millage rates for the 2007-2008 fiscal year to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in fiscal year 2006-2007; provided, however, depending upon the relative growth of each local government's own ad valorem tax revenues from 2001 to 2006, such rolled back millage rates were determined after first reducing 2006-2007 ad valorem tax revenues by zero to nine percent (0% to 9%). In addition, the legislation limited how much the aggregate amount of ad valorem tax revenues may increase in future fiscal years. A local

government may override certain portions of these requirements by a supermajority, and for certain requirements, a unanimous vote of its governing body.

The City fell under the 7% ad valorem tax revenue reduction category. As a result, the City's general millage rate was reduced from 4.4253 mills in fiscal year 2006-07 to 4.0934 mills in fiscal year 2007-08. The millage rate was decreased further in the fiscal year 2008-09 to 3.5597 mills, where the millage rate has remained through fiscal year 2011-12. For the fiscal year 2012-13 the City's general operating millage rate was 3.3817 mills and for the fiscal year 2013-14 the City's general operating millage rate was 3.3745%.

Constitutional Amendments Related to Ad Valorem Exemptions. On January 29, 2008, in a special election held in conjunction with the State's presidential primary, the requisite number of voters approved amendments to the Florida Constitution exempting certain portions of a property's assessed value from taxation. The following is a brief summary of certain important provisions contained in such amendments:

1. Provides for an additional exemption for the assessed value of homestead property between \$50,000 and \$75,000, thus doubling the existing homestead exemption for property with an assessed value equal to or greater than \$75,000.

2. Permits owners of homestead property to transfer their Save Our Homes Amendment benefit (up to \$500,000) to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their Save Our Homes Amendment benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead. As discussed above, the Save Our Homes Amendment generally limits annual increases in ad valorem tax assessments for those properties with homestead exemptions to the lesser of three percent (3%) or the annual rate of inflation.

3. Exempts from ad valorem taxation \$25,000 of the assessed value of property subject to tangible personal property tax.

4. Limits increases in the assessed value of non-homestead property to 10% per year, subject to certain adjustments. The cap on increases would be in effect for a 10-year period, subject to extension by an affirmative vote of electors.

The amendments were effective for the 2008 tax year (fiscal year 2008-2009 for local governments).

Over the last few years, the Save Our Homes Amendment assessment cap and portability provisions described above have been subject to legal challenge. The plaintiffs in such cases have argued that the Save Our Homes Amendment assessment cap constitutes an unlawful residency requirement for tax benefits on substantially similar property in violation of the equal protection provisions of the Florida Constitution and the Privileges and Immunities Clause of the Fourteenth Amendment to the United States Constitution. The plaintiffs also argued that the portability provision simply extends the unconstitutionality of the tax shelters granted to long-term homeowners by Save Our Homes Amendment. The courts in each case have rejected such constitutional arguments and upheld the

constitutionality of such provisions; however, there is no assurance that any future challenges to such provisions will not be successful.

In addition to the legislative activity described above, the constitutionally mandated Florida Taxation and Budget Reform Commission (required to be convened every 20 years) (the "TBRC") completed its meetings on April 25, 2008 and placed several constitutional amendments on the November 4, 2008 General Election ballot. Three of such amendments were approved by the voters of Florida, which, among other things, do the following: (a) allow the Florida Legislature, by general law, to exempt from assessed value of residential homes, improvements made to protect property from wind damage and installation of a new renewable energy source device; (b) assess specified working waterfront properties based on current use rather than highest and best use; (c) provide a property tax exemption for real property that is perpetually used for conservation (began in 2010); and, (d) for land not perpetually encumbered, require the Florida Legislature to provide classification and assessment of land use for conservation purposes solely on the basis of character or use.

Exemption for Deployed Military Personnel. In the November 2010 General Election voters approved a constitutional amendment which provides an additional homestead exemption for deployed military personnel. The exemption equals the percentage of days during the prior calendar year that the military homeowner was deployed outside of the United States in support of military operations designated by the Florida Legislature. This constitutional amendment took effect on January 1, 2011. At this time, it is impossible to estimate with any certainty the level of impact that the constitutional amendment will have on the City.

Other Proposals Affecting Ad Valorem Taxation. During the Florida Legislature's 2011 Regular Session, it passed Senate Joint Resolution 592 ("SJR 592"). SJR 592 allows totally or partially disabled veterans who were not Florida residents at the time of entering military service to qualify for the combat-related disabled veteran's ad valorem tax discount on homestead property. The amendment took effect on January 1, 2013.

During the Florida Legislature's 2012 Regular Session, it passed House Joint Resolution 93 ("HJR 93"). HJR 93 allows the Florida Legislature to provide ad valorem tax relief to the surviving spouse of a veteran who died from service-connected causes while on active duty as a member of the United States Armed Forces and to the surviving spouse of a first responder who died in the line of duty. The amount of tax relief, to be defined by general law, can equal the total amount or a portion of the ad valorem tax otherwise owed on the homestead property. The amendment took effect on January 1, 2013.

Also during the Florida Legislature's 2012 Regular Session, it passed House Joint Resolution 169 ("HJR 169") allowing the Florida Legislature by general law to permit counties and municipalities, by ordinance, to grant an additional homestead tax exemption equal to the assessed value of homestead property to certain low income seniors. To be eligible for the additional homestead exemption the county or municipality must have granted the exemption by ordinance; the property must have a just value of less than \$250,000; the owner must have title to the property and maintained his or her permanent residence thereon for at least 25 years; the owner must be age 65 years or older; and the owner's annual household income must be less than \$27,300. The additional homestead tax exemption authorized by HJR 169 would not apply to school property taxes. To date, the City has not enacted an ordinance granting this additional homestead exemption.

Each of the above described proposals was approved by the voters on November 6, 2012. At present, the impact of these amendments on the City's finances cannot be accurately ascertained. There

can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the City's finances.

During the Florida Legislature's 2013 Regular Session, it passed Senate Bill 1830 ("SB 1830"), which was signed into law by the Governor and created a number of changes affecting ad valorem taxation. First, SB 1830 provides long-term lessees the ability to retain their homestead exemption and related assessment limitations and exemptions in certain instances. Second, SB 1830 inserts the term "algaculture" in the definition of "agricultural purpose" and inserts the terms "aquacultural crops" in the provision specifying the valuation of certain annual agricultural crops, nonbearing fruit trees and nursery stock. Third, SB 1830 allows for an automatic renewal for assessment reductions related to certain additions to homestead properties used as living quarters for a parent or grandparent and aligns related appeal and penalty provisions to those for other homestead exemptions. Fourth, SB 1830 deletes a statutory requirement that the owner of the property must reside upon the property to qualify for a homestead exemption. Fifth, SB 1830 clarifies the property tax exemptions counties and cities may provide for certain low income persons age 65 and older. Sixth, SB 1830 removes a residency requirement that a senior disabled veteran must have been a Florida resident at the time they entered the service to qualify for certain property tax exemptions. Seventh, SB 1830 repeals the ability for certain limited liability partnerships to qualify for the affordable housing property tax exemption. Eighth, SB 1830 exempts property used exclusively for educational purposes when the entities that own the property and the educational facility are owned by the same natural persons.

Also during the Florida Legislature's 2013 Regular Session, the Florida Legislature passed House Bill 277 ("HB 277"), which was signed into law by the Governor. HB 277 provides that certain renewable energy devices are exempt from being considered when calculating the assessed value of residential property. HB 277 only applies to devices installed on or after January 1, 2013. HB 277 took effect on July 1, 2013.

Also during the Florida Legislature's 2013 Regular Session, the Florida Legislature passed House Bill 1193 ("HB 1193"), which was signed into law by the Governor. HB 1193 eliminated three ways in which the property appraiser had authority to reclassify agricultural land as non-agricultural land. Additionally, HB 1193 relieves the value adjustment board of the authority to review the property appraisers. HB 1193 is effective immediately and will apply retroactively to January 1, 2013.

At present, the impact of these amendments on the City's finances cannot be accurately ascertained. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the City's finances.

Legislative Proposals Relating to Ad Valorem Taxation. During recent years, various legislative proposals and constitutional amendments relating to ad valorem taxation and revenue limitation have been introduced in the State. Many of these proposals sought to provide for new or increased exemptions to ad valorem taxation, limit the amount of revenues that local governments could generate or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at recent historical levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the City's finances.

## FLORIDA RETIREMENT SYSTEM AND OTHER POSTEMPLOYMENT BENEFIT PLANS

### Florida Retirement System

*The information relating to the Florida Retirement System ("FRS") contained herein has been obtained from the FRS Annual Reports available at [www.dms.myflorida.com](http://www.dms.myflorida.com) and the Florida Comprehensive Annual Financial Report for fiscal year ended June 30, 2013 available at [www.myfloridacfo.com/aadir/statewide\\_financial\\_reporting](http://www.myfloridacfo.com/aadir/statewide_financial_reporting). 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.*

**General.** Substantially all full and part time employees of the City are eligible to participate in the FRS. The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees ("FRS Pension Plan"). FRS membership is compulsory for all employees filling a regularly established position in a state agency, county agency, state university, state community college, or district school board. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations, although optional, is generally irrevocable after election to participate is made. Members hired into certain positions may be eligible to withdraw from the FRS altogether or elect to participate in the non-integrated optional retirement programs in lieu of the FRS except faculty of a medical college in a state university who must participate in the State University System Optional Retirement Program.

There are five general classes of membership, as follows:

- *Regular Class* - Members of the FRS who do not qualify for membership in the other classes.
- *Senior Management Service Class (SMSC)* - Members in senior management level positions in state and local governments as well as assistant state attorneys, assistant statewide prosecutors, assistant public defenders, assistant attorneys general, deputy court administrators, and assistant capital collateral representatives. Members of the Elected Officers' Class may elect to withdraw from the FRS or participate in the SMSC in lieu of the Elected Officers' Class.
- *Special Risk Class* - Members who are employed as law enforcement officers, firefighters, firefighter trainers, fire prevention officers, state fixed-wing pilots for aerial firefighting surveillance, correctional officers, emergency medical technicians, paramedics, community-based correctional probation officers, youth custody officers, certain health-care related positions within state forensic or correctional facilities, or specified forensic employees of a medical examiner's office or a law enforcement agency, and meet the criteria to qualify for this class.
- *Special Risk Administrative Support Class* - Former Special Risk Class members who are transferred or reassigned to nonspecial risk law enforcement, firefighting, emergency medical care, or correctional administrative support positions within an FRS special risk-employing agency.
- *Elected Officers' Class (EOC)* - Members who are elected state and county officers and the elected officers of cities and special districts that choose to place their elected officials in this class.

Since July 1, 2001, the FRS Pension Plan has provided for vesting of benefits after six years of creditable service. Members not actively working in a position covered by the FRS on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2001, through June 30, 2011, vest after six years of service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5% benefit reduction for each year prior to the normal retirement age.

- *Regular Class, Senior Management Service Class, and Elected Officers' Class Members* – For members initially enrolled in the FRS before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62.

For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

- *Special Risk Class and Special Risk Administrative Support Class Members* – For members initially enrolled in the FRS before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

Benefits under the FRS Pension Plan are computed on the basis of age, average final compensation, creditable years of service and accrual value by membership class. Members are also eligible for in-line-of-duty or regular disability and survivors' benefits. Pension benefits of retirees and annuitants are increased each July 1 by a cost-of-living adjustment. If the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The Deferred Retirement Option Program (DROP) became effective July 1, 1998, subject to provisions of Section 121.091(13), Florida Statutes. Defined benefit plan members who reach normal retirement are eligible to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a maximum of 60 months. Authorized

instructional personnel may participate in the DROP for up to 36 additional months beyond their initial 60-month participation period. Monthly retirement benefits remain in the FRS Trust Fund during DROP participation and accrue interest. As of June 30, 2013, the FRS Trust Fund projected \$3,209,149,119 in accumulated benefits and interest for 38,724 current and prior participants in the DROP.

The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans. The Department of Management Services, Division of Retirement administers the FRS Pension Plan and the State Board of Administration ("SBA") invests the assets of the FRS Pension Plan held in the FRS Trust Fund. Administration costs of the FRS Pension Plan are funded through investment earnings of the FRS Trust Fund. Reporting of the FRS is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. Service retirement benefits are based upon the value of the member's account upon retirement. The FRS Investment Plan provides vesting after one year of service for Investment Plan contributions regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the FRS Investment Plan, six years of service (including the service credit represented by the transferred funds) is required to be vested for these funds and the earnings on the funds. The employer pays a contribution as a percentage of salary that is deposited into the individual member's account. The Investment Plan member directs the investment from the options offered under the plan. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.03% of payroll and by forfeited benefits of plan members. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, or leave the funds invested for future distribution. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the FRS Investment Plan and rely upon that account balance for retirement income.

All participating employers must comply with statutory contribution requirements. Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan, which is provided to the Florida Legislature as guidance for funding decisions. Employer and employee contribution rates are established in Section 121.71, Florida Statutes. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) are recommended by the actuary but set by the Florida Legislature. Statutes require that any unfunded actuarial liability (UAL) be amortized within 30 plan years. Pursuant to Section 121.031(3) (f), Florida Statutes, any surplus amounts available to offset total retirement system costs are to be amortized over a 10-year rolling period on a level-dollar basis. The balance of legally required reserves for all defined benefit pension plans at June 30, 2013, was \$129,852,527,785. These funds were reserved to provide for total current and future benefits, refunds, and administration of the FRS Pension Plan.

Contribution Rates. The rates indicated in the chart below are uniform rates for all FRS members created by blending the FRS Investment Plan and the FRS Pension Plan rates and including UAL contribution rates. These rates do not include a 0.03% contribution for the FRS Investment Plan administration and educational program fee. In addition, the July 1, 2012, statutory employer rates do not include a 3.00% mandatory employee contribution required for all membership classes except for members in the DROP.

Membership Class	Uniform Employer Rates	July 1, 2012 Statutory Rates
	Recommended by Actuarial Valuation as of July 1, 2011 for Fiscal Year 2012-2013	(Chapter 121, Florida Statutes)
Regular	5.99%	4.04%
Senior Management Service	16.90	5.16
Special Risk	19.03	13.76
Special Risk Administrative Support	31.88	4.77
Elected Officers - Judges	26.85	10.79
Elected Officers – Legislators/Attorneys/Cabinet	34.77	7.39
Elected Officers - County	32.78	9.09
Deferred Retirement Option	10.54	4.33

Source: The State of Florida Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2013.

The chart below shows the funding progress for the FRS which presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Schedule of Funding Progress  
for the Florida Retirement System<sup>(1)</sup>  
(000's)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Annualized Covered Payroll (c) <sup>(2)</sup>	UAAL As % of Covered Payroll (b-a)/c
7/1/08	\$130,720,547	\$124,087,214	\$(6,633,333)	105.35%	\$26,891,340	(24.67)%
7/1/09 <sup>(3)</sup>	118,764,692	136,375,597	17,610,905	87.09	26,573,196	66.27
7/1/10 <sup>(4)</sup>	120,929,666	139,652,377	18,722,711	86.59	25,765,362	72.67
7/1/11	126,078,053	145,034,475	18,956,422	86.93	25,686,138	73.80
7/1/12	127,891,781	148,049,596	20,157,815	86.38	24,491,371	82.31
7/1/13	131,680,615	154,125,953	22,445,338	85.44	24,568,642	91.36

(1) Calculations are based on GASB 27 requirements including traditional funding of DROP.

(2) For the plan year beginning on the Actuarial Valuation Date shown, includes payroll for members in DROP, Teachers' Retirement System and Institute of Food and Agricultural Sciences.

(3) As reported in July 1, 2009 actuarial valuation report, before impact of House Bill 479 (2009).

(4) As reported in July 1, 2010 actuarial valuation report, before impact of Senate Bill 2100 (2011).

Source: The Florida Retirement System, Pension Plan & Other State-Administered Systems, Annual Report: July 1, 2012 – June 30, 2013.

The information presented in the above schedule was determined as part of the actuarial valuations performed at the dates indicated. Additional information as of the latest actuarial valuation is as follows:

### Florida Retirement System Assumptions

Valuation Date	July 1, 2013
Actuarial Cost Method	Entry Age (Ultimate Entry Age Calculation Approach)
Amortization Method	Level Percentage of Pay, Closed
Remaining Amortization Period	Weighted Average of 28 Years <sup>(1)</sup>
Asset Valuation Method	5-year Smoothed Method
Actuarial Assumptions:	
Investment Rate of Return	7.75%
Projected Salary Increases	5.85% <sup>(2)</sup>
Includes Inflation at	3.00%
Cost-of-Living Adjustments	3.00% <sup>(3)</sup>

<sup>(1)</sup> Used for GASB Statement 27 reporting purposes.

<sup>(2)</sup> Includes individual salary growth of 4.00% plus an age-graded merit scale defined by gender and employment class.

<sup>(3)</sup> Cost-of-Living Adjustments granted only for pre-July 1, 2011 service.

Source: The Florida Retirement System, Pension Plan & Other State-Administered Systems, Annual Report: July 1, 2012 – June 30, 2013.

The City's liability for participation in the FRS is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the City. The City's contributions to the FRS for fiscal years ended September 30, 2013, June 30, 2012 and June 30, 2011, totaled \$365,912, \$325,205 and \$500,073, respectively, which were equal to the required contributions for each fiscal year.

### Legislation Relating to FRS

The Florida Legislature passed Senate Bill 2100 ("SB 2100") during its 2011 session which was signed by Governor Rick Scott on May 20, 2011. SB 2100 made significant changes to the FRS with respect to employee contributions and employer contributions, among other items. Effective July 1, 2011, all members of FRS were required to contribute 3% of their gross compensation toward their retirement. In addition, the legislation reduced the required employer contribution rates for each membership class and subclass of the FRS. Additionally, the bill eliminated the cost of living adjustment for all FRS employees for service earned on or after July 1, 2011, although the bill does contemplate reinstatement of the adjustment in 2016 under certain circumstances.

SB 2100 made other changes to the FRS that only apply to employees who initially enroll on or after July 1, 2011, including: (1) the average final compensation upon which retirement benefits are calculated are based on the eight highest (formerly five highest) fiscal years of compensation prior to retirement; (2) the DROP is maintained but the interest accrual rate is reduced from 6.5% to 1.3%; (3) the normal retirement age is increased from 62 to 65; and (4) the years of creditable service is increased from 30 to 33 and the vesting period is increased to eight years (formerly six).

## Firefighters' Retirement Fund

All of the City's full-time fire employees participate in a separate single-employer, defined benefit pension plan (the "Firefighters' Plan"). Current membership in the Plan is summarized as follows:

<u>Group</u>	<u>September 30, 2013</u>
Service retirees and DROP retirees	32
Disability retirees	6
Beneficiaries	5
Terminated plan members entitled to but not yet receiving benefits	3
Active plan members	<u>51</u>
Total	97

Benefits for Firefighters are determined by category and length of service as follows:

<b>Benefits</b>	<b>Vesting</b>
Normal retirement at age 55 with ten years of service, age 52 with 25 years of service; 3.0% of average compensation for first twenty-five years of credited service and 2.0% of average compensation for each year in excess of 37.5 years of service; a supplemental monthly benefit of \$3 per year of service not to exceed \$75; reduced benefits for early retirement.	After ten years of creditable service.

Any Firefighters' Plan participant who is eligible to receive a normal retirement pension may elect to participate in a DROP while continuing his or her active employment as a firefighter. Upon participation in the DROP, the participant becomes a retiree for all Firefighters' Plan purposes so that he or she ceases to accrue any further benefits under the pension plan. Normal retirement payments that would have been payable to the participant as a result of retirement are accumulated and invested in the DROP to be distributed to the participant upon his or her termination of employment. Participation in the DROP ceases for a Firefighters' Plan participant after the earlier of 5 years or the attainment of thirty years of service.

Basis of accounting is the method by which revenues and expenses are recognized in the accounts and are reported in the financial statements. The accrual basis of accounting is used for the Firefighters' Plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Firefighters' Plan member contributions are recognized in the period in which the contributions are due. City contributions to the plan, as calculated by the Firefighters' Plan's actuary, are recognized as revenue when due and the City 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 plan. Investments are measured at fair value based on quoted market prices for securities held by the Firefighters' Plan.

Firefighter contribution rates are established at 5.5 percent of salary. A state excise tax rebate is also received from the State of Florida under Chapter 175, Florida Statutes, and the City in amounts sufficient to fund the Firefighters' Plan at an actuarially determined rate specified by Chapter 175, Florida Statutes. The City recognized these on-behalf payments from the State of Florida totaling \$314,996 as revenues and expenditures within the general fund of the governmental fund financial statements, as well as within governmental activities of the government-wide financial statements.

The City's Annual Pension Cost and Net Pension Obligation for the year ended September 30, 2013 is as follows:

Annual required employer contributions	\$832,898*
Interest on net pension obligation	(8,102)
Adjustment to annual required contribution	<u>5,882</u>
Annual pension cost	830,678
Contributions made	<u>832,898*</u>
Increase (decrease) in net pension obligation	(2,220)
Net pension obligation (asset), beginning of year	<u>(104,540)</u>
Net pension obligation (asset), end of year	\$(106,760)

\* The Actuarially Determined Contributions and the Contributions Made include both City and State Contributions.

Source: City of Dunedin, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2013.

The annual required contribution for current year was determined as part of an actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses) and (b) projected salary increases of 5% to 15% per year (depending on service), which included an inflation component of 3.50%. The assumptions did not include a post-retirement cost of living adjustment.

The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of pay on a closed basis. The remaining amortization period is 30 years. The Firefighters' Plan's three-year trend information is summarized as follows:

#### Three Year Trend Information

Fiscal Year <u>Ended</u>	Annual Pension <u>Cost (APC)</u>	Percentage of <u>APC Contributed</u>	Net Pension <u>Obligation (Asset)</u>
9/30/2013	830,678*	100.3%	\$(106,760)
9/30/2012	823,647	100.3	(104,540)
9/30/2011	814,652	100.4	(102,367)

\* Beginning with fiscal year ending 09/30/2011, the required and actual contributions reflect City and State contributions. Prior to that date, they were only City contributions.

Source: City of Dunedin, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2013.

Information about the funded status of the Plan, as of October 1, 2013, the most recent actuarial valuation date, is presented below:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	(Funded) Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as Percentage of Covered Payroll ((b-a)/c)
October 1 2013	\$20,808,025	\$21,751,959	\$943,934	96%	\$3,261,637	29%

Source: City of Dunedin, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2013.

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

#### Defined Contribution Plan

Beginning January 1, 1996, the City began providing retirement benefits for all of its full-time employees not covered under the FRS or the Firefighters' Pension Trust Fund through a non-contributory defined contribution plan administered by Great West under their prototype Profit-Sharing Plan and Trust Agreement ("Defined Contribution Plan"). At September 30, 2013, there were 202 Defined Contribution Plan members in the defined contribution plan. Benefits depend solely on amounts contributed to the Defined Contribution Plan plus investment earnings. Employees are eligible to participate after one year of employment (and interest allocated to the employee's account) are fully vested after six years of continuous service.

City contributions for, and interest forfeited by, employees who leave employment before six years are used to reduce the City's current-period contribution requirement. The Defined Contribution Plan provisions and contribution requirements are established and may be amended by the City Commission.

The City's total payroll in fiscal year ended September 30, 2013 was \$16,529,781. The City's contributions were calculated using the participant's salary amount of \$8,017,777. The City's contributions to the Plan for the years ended September 30, 2013, 2012, and 2011 were \$767,924, \$765,830 (including \$117,625 in forfeitures used) and \$747,133, respectively.

**APPENDIX B**

**AUDITED BASIC FINANCIAL STATEMENTS FOR  
THE FISCAL YEAR ENDED SEPTEMBER 30, 2013**

**APPENDIX C**  
**FORM OF THE RESOLUTION**

**APPENDIX D**

**FORM OF BOND COUNSEL OPINION**

**APPENDIX E**

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

\$ \_\_\_\_\_  
City of Dunedin, Florida  
Stormwater System Revenue Bonds, Series 2014

**PURCHASE CONTRACT**

\_\_\_\_\_, 2014

City Commission of City of Dunedin  
750 Milwaukee Avenue  
Dunedin, Florida 34698

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, Piper Jaffray & Co. (the "Underwriter") offers to enter into this Contract with the City of Dunedin, Florida (the "Issuer"), subject to written acceptance hereof by the Issuer at or before 6:00 p.m., New York time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter 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 Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all of the \$ \_\_\_\_\_ aggregate principal amount of the City of Dunedin, Florida Stormwater System Revenue Bonds, Series 2014 (the "Series 2014 Bonds"). Inasmuch as this purchase and sale represents a negotiated transaction, the Issuer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Issuer, but rather is acting solely in its capacity as Underwriter for its own account.

The Series 2014 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 2014 Bonds is payable semi-annually on April 1 and October 1 of each year, commencing April 1, 2015. The purchase price for the Series 2014 Bonds shall be \$ \_\_\_\_\_ (representing the par amount of the Series 2014 Bonds of \$ \_\_\_\_\_ plus a net original issue premium of \$ \_\_\_\_\_ and less an Underwriter's discount of \$ \_\_\_\_\_).

The disclosure statement required by Section 218.385, Florida Statutes, is attached hereto as Exhibit B.

On a parity with the City's outstanding Stormwater Refunding Revenue Bond, Series 2012 and all other "Additional Parity Obligations" hereafter issued under the Resolution (hereafter defined), payment of the principal of, premium, if any, and interest on the Series 2014 Bonds shall be secured by a pledge of and are payable solely from the Gross Revenues of the System levied and collected by the Issuer, and the moneys in certain funds and accounts created under the Resolution (defined in the hereinafter described Resolution to mean "Pledged Revenues"), all in the manner and to the extent provided in Resolution No. 2012-18 adopted by the City Commission of the City (the "City Commission") on May 17, 2012, as amended and supplemented from time to time, and as particularly amended and supplemented by

Resolution No. 2014-36 adopted by the City Commission on November 20, 2014 (collectively, the "Resolution").

The Series 2014 Bonds are being issued, together with other legally available funds of the Issuer, to (i) finance and/or reimburse the cost of design, permitting, acquisition, construction and reconstruction of improvements to the stormwater system, and (ii) pay costs of issuance of the Series 2014 Bonds. All capitalized undefined terms used herein shall have the meanings ascribed to them in the Resolution.

2. Delivery of Official Statement and Other Documents.

(a) Prior to the date hereof, the Issuer has provided to the Underwriter for its review the Preliminary Official Statement dated December \_\_, 2014 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 2014 Bonds. The Underwriter has 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 Underwriter within seven (7) business days after the date hereof, and at least three (3) business days prior to the date the Series 2014 Bonds are delivered to the Underwriter, 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 Underwriter to fulfill its obligations pursuant to the securities laws of Florida and the United States, in form and substance satisfactory to the Underwriter, 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 Underwriter to comply with the requirements of Rule 15c2-12, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Underwriter 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 Bonds. The Underwriter agrees that it will not confirm the sale of any Series 2014 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 Underwriter and if, in the reasonable opinion of the Issuer or the reasonable opinion of the Underwriter, 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 Underwriter), 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 2014 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 Underwriter. The Issuer will promptly notify the Underwriter 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 2014 Bonds are hereinafter included within the term "Official Statement." Unless otherwise provided in writing by the Underwriter to the Issuer on December \_\_, 2014 (date of the "Closing") that the Underwriter retain directly, or as a member of an underwriting syndicate, an unsold balance of the Series 2014 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 Underwriter. The Underwriter has been duly authorized to execute this Contract and neither the Underwriter nor any "persons" or "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 Underwriter agrees 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 2014 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 2014 Bonds, the Series 2014 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2014 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 Underwriter.

The Underwriter agrees to deliver a certificate at the Closing in substantially the form attached hereto as Exhibit D.

The Issuer hereby authorizes the Underwriter to use the forms or copies of the Resolution and the Official Statement and the information contained therein in connection with the public offering and sale of the Series 2014 Bonds and ratifies and confirms its authorization of the distribution and use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with such public offering and sale.

5. Security Deposit. The Underwriter 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 Underwriter. 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 Underwriter of its obligations to accept and pay for the Series 2014 Bonds at the Closing, and, in the event of its compliance with such obligation, such check shall be returned to the Underwriter at the Closing. In the event of the Issuer's failure to deliver the Series 2014 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 Underwriter shall be terminated for any reason permitted by this Contract, such check shall be immediately returned to the Underwriter and such return shall constitute a full release and discharge of all claims by the Underwriter arising out of the transactions

contemplated hereby. In the event that the Underwriter fails (other than for a reason permitted hereunder) to accept and pay for the Series 2014 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 Underwriter and such retention shall constitute a full release and discharge of all claims by the Issuer against the Underwriter 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 of Florida (the "State") and is authorized and empowered by law to issue, sell and deliver the Series 2014 Bonds to the Underwriter as described herein; to provide funds together with other legally available funds to finance and/or reimburse the costs of the 2014 Project; to have enacted and/or adopted the ordinances and/or resolutions which established the rates, fees, charges and other income which comprise the revenues of the System (collectively, the "Rate Instrument"); to accept this Contract; to execute and deliver the Continuing Disclosure Certificate dated as of the date of the Closing (or such other date as determined by the Issuer), by the Issuer (the "Continuing Disclosure Certificate"); 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 and/or enacted the Rate Instrument and adopted the Resolution; the Resolution and the Rate Instrument 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 2014 Bonds, the Continuing Disclosure Certificate and this Contract, and the consummation by it of all other transactions contemplated by the Resolution, the Rate Instrument, the Official Statement, Continuing Disclosure Certificate 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 Rate Instrument.

(c) When delivered to and paid by the Underwriter in accordance with the terms of this Contract, the Continuing Disclosure Certificate and the Series 2014 Bonds will have been duly and validly authorized, executed, issued and delivered, the Resolution will have been duly adopted 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 Bonds, the legally valid and binding pledge of and lien it purports to create as set forth in the Resolution.

(d) 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 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 receipts of the Revenues in the amount contemplated by the Official Statement; and the execution and delivery of the Series 2014 Bonds, the Continuing Disclosure Certificate, and this Contract and the adoption of the Resolution, the enactment and/or adoption, as the case may be, of the Rate Instrument, 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 2014 Bonds and the Resolution.

(e) The Issuer is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor. The Issuer has not undertaken an independent review or investigation of securities for which it has served as conduit issuer. The Issuer does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2014 Bonds because the Issuer is not obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the Issuer have been pledged or used to pay such securities or the interest thereon.

(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 or the due performance by the Issuer of its obligations under this Contract, the Resolution, the Rate Instrument, the Continuing Disclosure Certificate and the Series 2014 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 2014 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 2014 Bonds, when issued, authenticated and delivered in accordance with the Resolution and sold to the Underwriter 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 2014 Bonds, a legally valid and binding pledge of and lien on the Gross Revenues and certain funds and accounts created in the Resolution, 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 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 which is necessary 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 to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) The Series 2014 Bonds, the Resolution, the Rate Instrument and the Continuing Disclosure Certificate 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 2014 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 2014 Bonds or the collection of the Gross Revenues pledged to pay the principal of and interest on the Series 2014 Bonds, or which in any way contests or affects the validity or enforceability of the Series 2014 Bonds, the Resolution, the Rate Instrument, this Contract and the Continuing Disclosure Certificate, 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 2014 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 2014 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 2014 Bonds, the Resolution, the Rate Instrument, the Continuing Disclosure Certificate or this Contract.

(l) The Issuer will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriter as the Underwriter may reasonably request in order (i) to qualify the Series 2014 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 Underwriter may designate, and/or (ii) to determine the eligibility of the Series 2014 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 2014 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 Underwriter.

(m) The Issuer will advise the Underwriter 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 Underwriter. The Issuer will advise the Underwriter 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 2014 Bonds.

(n) Other than as disclosed in the Preliminary Official Statement and the Official Statement, the Issuer has not in the past five years failed to comply with any agreement to provide continuing disclosure information pursuant to the Rule.

(o) The Issuer has the authority to finance and/or reimburse the costs of the 2014 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 Underwriter may mutually agree, the Issuer will, subject to the terms and conditions hereof, deliver the Series 2014 Bonds in book-entry form to the account of the Underwriter, at the facilities of DTC in New York, New York, or an agent thereof, or such other location as determined by the Underwriter and agreed to by the Issuer, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the aggregate purchase price of the Series 2014 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 2014 Bonds, but neither the failure to print such number on any Series 2014 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Series 2014 Bonds in accordance with the terms of this Contract. The Closing shall occur at the offices of the Issuer in Dunedin, Florida, or such other place to which the Issuer and the Underwriter shall have mutually agreed. The Series 2014 Bonds shall be made available to the Underwriter no less than 24 hours before the Closing for purposes of inspecting and packaging. The Series 2014 Bonds shall be prepared and delivered as fully registered Series 2014 Bonds registered in such names and denominations as the Underwriter shall so designate to the Issuer and the printer of the Series 2014 Bonds not less than one day prior to the Closing.

8. Closing Conditions. The Underwriter has 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 Underwriter's obligations under this Contract to purchase, to accept delivery of and to pay for the Series 2014 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 Rate Instrument, the Continuing Disclosure Certificate and this Contract shall be in full force and effect and shall not have been amended, modified or supplemented since the date hereof, and the Official Statement as delivered to the Underwriter shall not have been supplemented or amended, except in any such case as may have been approved by the Underwriter;

(c) At the time of the Closing, all official action of the Issuer relating to this Contract, the Series 2014 Bonds, the Resolution and the Continuing Disclosure Certificate taken 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 Underwriter 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 Underwriter shall have received copies of each of the following documents:

(1) An opinion of Bryant Miller Olive P.A., Tampa, Florida ("Bond Counsel"), dated the date of the Closing and addressed to the Issuer, in substantially the form attached as Appendix E to the Official Statement and a reliance letter pertaining to such opinion addressed to the Underwriter.

(2) An opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriter, in such form as is mutually and reasonably acceptable to the Issuer and the Underwriter, (i) to the effect that the statements contained in the Official Statement under the captions "DESCRIPTION OF THE SERIES 2014 BONDS" (except for the statements and information under the subheading entitled "Book-Entry Only System" as to which no opinion is expressed), "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and in "APPENDIX C – FORM OF THE RESOLUTION" (except for the financial and statistical data contained therein, and the information relating to DTC and its book-entry system as to which no view is expressed) insofar as such information purports to be descriptions or summaries of the Resolution and the Series 2014 Bonds, such statements are accurate and fair statements or summaries of the matters set forth or the documents referred to therein in all material respects, and the information contained under the caption "TAX EXEMPTION" is accurate, (ii) to the effect that the Series 2014 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 Underwriter and Bond Counsel, of Thomas J. Trask, 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 Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel, in form and substance satisfactory to the Issuer and the Underwriter, and a reliance letter pertaining thereto addressed to the Underwriter, including an opinion that the Continuing Disclosure

Certificate 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 Mayor or Vice Mayor of the Issuer, Director of Finance, and the City Clerk or Deputy City Clerk of the Issuer, or such other official satisfactory to the Underwriter, and in form and substance satisfactory to the Underwriter, 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 which should be included therein for the purposes for which the Official Statement is to be used, or which is 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 Issuer, or DTC and its book-entry system); (B) no event affecting the Issuer or the System 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 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 2014 Bonds on the date of Closing, (i) since September 30, 2013, no material and adverse change has occurred in the financial position or results of operations of the Issuer or the System 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, 2013, incurred any material liabilities payable from Gross Revenues other than in the ordinary course of business, and (iii) since September 30, 2013, no material adverse change has occurred in the collection of the Gross Revenues, except as disclosed in the Preliminary Official Statement; (E) the financial statements and other historical financial and statistical data relating to the Issuer and the System included in the Official Statement are true and correct as of the date of such information; (F) no default under the Resolution has occurred and is continuing, and the Issuer is not in breach of the covenants and obligations assumed under the Resolution, 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) except as disclosed in the Official Statement, the Issuer is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor, however the Issuer has not undertaken an independent review or investigation of securities for which it has served as conduit issuer because the Issuer does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2014 Bonds because the Issuer would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the Issuer would have been pledged or used to pay such securities or the interest thereon; (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 2014 Bonds, or in any way contesting or affecting any authority for the issuance of the Series 2014 Bonds, the Rate Instrument, the Resolution or the execution and delivery of the Continuing Disclosure Certificate or the sale of the Series 2014 Bonds; (ii) questioning, contesting or affecting the corporate existence or powers of the Issuer or the City Commission or the entitlement to office of the officers thereof; (iii) to restrain or enjoin the collection of the Pledged Revenues to pay the principal of, premium, if any, and interest on the Series 2014 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 2014 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 2014 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 Rate Instrument.

(7) Executed copies of the Continuing Disclosure Certificate and this Contract.

(8) Evidence that Standard & Poor's Ratings Services ("S&P") has issued a rating not lower than "\_\_\_" (\_\_\_\_\_ outlook) for the Series 2014 Bonds.

(9) A certificate of an authorized representative of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida (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 2014 Bonds have been authenticated in accordance with the terms of the Resolution.

(10) Evidence that the Issuer has deemed the Preliminary Official Statement "final" as of its date for purpose of the Rule, except for "permitted omissions."

(11) Such additional legal opinions, certificates, instruments and other documents as the Underwriter 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 Underwriter with such exceptions and modifications as shall be approved by the Underwriter and as shall not in the reasonable opinion of the Underwriter materially impair the investment quality of the Series 2014 Bonds.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2014 Bonds contained in this Contract, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2014 Bonds shall be terminated for any reason permitted by this Contract, this Contract shall terminate with respect to such Series 2014 Bonds subject to termination and neither the Underwriter 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 Underwriter set forth in Paragraph 10 hereof shall continue in full force and effect.

9. Termination. The Underwriter 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 (a 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 2014 Bonds in the hands of the holders thereof, which in the reasonable opinion of the Underwriter would materially adversely affect the market price of the Series 2014 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 Underwriter, has the effect of requiring the contemplated issuance or distribution of the Series 2014 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 Underwriter, materially adversely affects the market price of the Series 2014 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 Underwriter, materially adversely affects the market for the Series 2014 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2014 Bonds to be purchased by it;

(e) A general banking moratorium shall have been established by federal, New York or Florida authorities which in the reasonable judgment of the Underwriter materially adversely affects the market for the Series 2014 Bonds, or the sale at the contemplated offering prices, by the Underwriter of the Series 2014 Bonds to be purchased by it;

(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 2014 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 Underwriter, materially adversely affects the market price of the Series 2014 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 Underwriter, materially adversely affects the market price of the Series 2014 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 Underwriter, 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 required to be stated therein or 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 2014 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 Underwriter, materially and adversely affects the market price or marketability of the Series 2014 Bonds;

(k) The marketability of the Series 2014 Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially and adversely affected by disruptive events, occurrence or conditions in the securities or debt markets; or

(l) There shall have occurred or any notice shall have been given of any intended downgrading, suspension, withdrawal or negative change in credit watch status by any national rating service to any of the Issuer's obligations.

10. Expenses. The Underwriter 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 2014 Bonds; (c) the fees and disbursements of Bond Counsel 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 Underwriter 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 Underwriter's discount.

The Underwriter shall pay: (a) all advertising expenses in connection with the public offering of the Series 2014 Bonds; (b) the cost of preparing, printing and delivery of any agreement among the Underwriter; and (c) all other expenses incurred by them or any of them in connection with the public offering of the Series 2014 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, and any notice or other communication to be given to the Underwriter may be given by delivering the same in writing to Piper Jaffray & Co., 1200 17th Street, Suite 1250, Denver, Colorado 80202, Attn: \_\_\_\_\_.

12. Parties in Interest. This Contract is made solely for the benefit of the Issuer and the Underwriter 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 any of the Underwriter; (ii) the delivery of the Series 2014 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 Underwriter may be waived by the Underwriter, in its sole discretion, and the approval of the Underwriter 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 Underwriter and delivered to the Issuer.

14. Effectiveness. This Contract shall become effective upon the execution of the acceptance hereof by the Mayor or Vice Mayor of the City Commission 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 transaction contemplated by this Contract is an arm's length, commercial transaction between the Issuer and the Underwriter in which the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer; (ii) the Underwriter has 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 Underwriter has provided other services or are currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Contract; (iv) the Issuer has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate; (v) the Underwriter has financial and other interests that differ from those of the Issuer; and (vi) the Underwriter is acting solely in its capacity as Underwriter for its own account.

[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,

PIPER JAFFRAY & CO.

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Accepted by:

CITY OF DUNEDIN, FLORIDA

(SEAL)

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

Mayor

ATTEST AND COUNTERSIGNED:

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

City Clerk

EXHIBIT A

CITY OF DUNEDIN, FLORIDA  
Stormwater System Revenue Bonds, Series 2014

MATURITIES, AMOUNTS, INTEREST RATES, PRICES AND YIELDS

\$\_\_\_\_\_ Serial Bonds

Maturity (____ 1)	<u>Amount</u>	Interest <u>Rate</u>	<u>Price</u>	<u>Yield</u>
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\$\_\_\_\_\_ % Term Bonds due on \_\_\_\_\_ 1, \_\_\_\_ -- Price \_\_\_\_%-- Yield \_\_\_\_%

REDEMPTION PROVISIONS

**Optional Redemption**

The Series 2014 Bonds maturing on or before October 1, \_\_\_\_\_, are not subject to redemption prior to their stated dates of maturity. The Series 2014 Bonds maturing on October 1, \_\_\_\_\_ and thereafter shall be subject to redemption prior to their stated dates of maturity at the option of the City, in whole or in part, on October 1, \_\_\_\_\_, or any date thereafter, in such order as shall be determined by the City and by lot within a maturity, at the redemption price or 100% of the principal amount of the Series 2014 Bonds to be redeemed, plus accrued interest to the redemption date.

**Mandatory Redemption**

The Series 2014 Bonds maturing on October 1, \_\_\_\_\_ will be subject to mandatory redemption prior to maturity, by lot, in such manner as the Paying Agent may deem appropriate, at 100% of the principal amount of the Series 2014 Bonds so to be redeemed in the following Amortization Installments on October 1 in the years specified:

Amortization

Year

Installments

\$

\*

---

\*Final Maturity

EXHIBIT B

CITY OF DUNEDIN, FLORIDA  
Stormwater System Revenue Bonds, Series 2014

DISCLOSURE STATEMENT

\_\_\_\_\_, 2014

City Commission of City of Dunedin  
Dunedin, Florida

Ladies and Gentlemen:

In connection with the proposed issuance by City of Dunedin, Florida (the "Issuer") of the issue of bonds referred to above (the "Series 2014 "Bonds"), Piper Jaffray & Co. (the "Underwriter"), has agreed to underwrite a public offering of the Series 2014 Bonds. Arrangements for underwriting the Series 2014 Bonds will include a Purchase Contract between the Issuer and the Underwriter.

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 2014 Bonds as follows:

(a) The nature and estimated amount of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2014 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 2014 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	\$	\$
Underwriter's Expenses		
Total Underwriting Spread	\$	\$

(d) No other fee, bonus or other compensation is estimated to be paid by the Underwriter in connection with the issuance of the Series 2014 Bonds to any person not regularly employed or retained by the Underwriter, except as described in Schedule I attached hereto.

(e) The name and address of the Underwriter is set forth below:

Piper Jaffray & Co.  
1200 17th Street, Suite 1250  
Denver, Colorado 80202

(f) The Issuer is proposing to issue \$\_\_\_\_\_ of its Stormwater System Revenue Bonds, Series 2014 (the "Series 2014 Bonds"), together with other legally available funds of the Issuer, to (i) finance and/or reimburse the cost of design, permitting, acquisition, construction and reconstruction of improvements to the stormwater system, and (ii) pay costs of issuance of the Series 2014 Bonds. All capitalized undefined terms used herein shall have the meaning ascribed to them in the Resolution.

The Series 2014 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 2014 Bonds will be \$\_\_\_\_\_.

Authorizing the Series 2014 Bonds will result in an average of \$\_\_\_\_\_ of Gross Revenues 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 Underwriter, pursuant to Sections 218.385(2), (3) and (6), Florida Statutes.

Very truly yours,

PIPER JAFFRAY & CO.

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

SCHEDULE I

ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITER

	<u>Per \$1,000</u>	<u>Dollar Amount</u>
	\$	\$
TOTAL	\$	\$

**EXHIBIT C**

\_\_\_\_\_, 2014

City Commission of City of Dunedin  
Dunedin, Florida

Piper Jaffray & Co.  
Denver, Colorado

Re:     \$ \_\_\_\_\_ City of Dunedin, Florida  
          Stormwater System Revenue Bonds, Series 2014

Ladies and Gentlemen:

This opinion is being delivered as the opinion of Counsel to the City of Dunedin, Florida (the "Issuer"). All terms used herein in capitalized form and not otherwise defined herein shall have the same meanings assigned thereto in the Resolution (as hereinafter defined). In connection with the sale, issuance, execution and delivery of the above-referenced bonds (the "Series 2014 Bonds"), I have examined Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Part II, Florida Statutes, the Charter of the Issuer, the City Code of Ordinances, Subpart A, Chapter 78, Article IV, Stormwater Utility, and other applicable provisions of law (collectively, the "Act"), and pursuant to Resolution No. 2012-18 adopted by the City Commission of the Issuer (the "City Commission") on May 17, 2012, as amended and supplemented from time to time, as particularly amended and supplemented by Resolution No. 2014-\_\_ adopted by the City Commission on November 20, 2014 (collectively, the "Resolution"). I have also reviewed the Preliminary Official Statement dated \_\_\_\_\_, 2014 related to the Series 2014 Bonds (the "Preliminary Official Statement") and the final Official Statement dated \_\_\_\_\_, 2014 related to the Series 2014 Bonds (the "Official Statement"), the Purchase Contract dated \_\_\_\_\_, 2014 between the Issuer and the Underwriter, the Continuing Disclosure Certificate dated as of the date hereof (the "Continuing Disclosure Certificate"), and the resolutions or ordinances establishing the rates, fees and other charges which comprise Gross Revenues (as such term is defined in the Resolution) (the "Rate Instrument"). 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 2014 Bonds, the Purchase Contract and the Continuing Disclosure Certificate.

(2)     The Issuer has duly adopted the Resolution, and duly enacted and/or adopted the Rate Instrument, and has duly authorized, executed and delivered the Purchase Contract, the Series 2014 Bonds and the Continuing Disclosure Certificate 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 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 required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(5) 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 2014 Bonds.

(6) The Issuer is empowered to finance and/or reimburse the costs of the 2014 Project.

(7) The adoption of the Resolution, the adoption and/or enactment of the Rate Instrument and the authorization, execution and delivery of the Continuing Disclosure Certificate, the Purchase Contract and the Series 2014 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 empowered to pledge the Pledged Revenues to the extent provided in the Resolution and such pledge constitutes a valid and binding pledge of the Pledged Revenues for the payment of the Series 2014 Bonds

(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 Rate Instrument, the Series 2014 Bonds, the Purchase Contract, or the Continuing Disclosure Certificate, 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 2014 Bonds or pledge the Pledged Revenues for repayment of the Series 2014 Bonds or to operate the System as described in the Official Statement.

(10) The Issuer has lawful authority to operate the System and to determine, fix and collect rates and charges for use of the System in the manner provided in the Rate Instrument.

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,

Thomas J. Trask  
City Attorney

EXHIBIT D

\_\_\_\_\_, 2014

Mayor and City Commission  
City of Dunedin, Florida

Re: \$\_\_\_\_\_ City of Dunedin, Florida Stormwater System Revenue Bonds, Series 2014

Ladies and Gentlemen:

The undersigned, as underwriter (the "Underwriter") in connection with the sale of the above-referenced Series 2014 Bonds, hereby represents, based upon the information available to it, that:

1. On \_\_\_\_\_, 2014 (the "Sale Date"), the Underwriter made an initial offering of all of the Series 2014 Bonds to the Public at the prices or yields shown on the inside cover of the Official Statement relating to the Series 2014 Bonds, such prices referred to herein as the "Prices". For purposes of this certificate, the "Public" does not include bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers.

2. On the Sale Date, the Underwriter sold at least 10 percent of each maturity of the Series 2014 Bonds to the Public at the Prices.

3. In the opinion of the Underwriter, based upon our experience with bonds similar to the Series 2014 Bonds, the funding of the Reserve Fund securing the Series 2014 Bonds in an amount equal to the Reserve Requirement was a vital factor in marketing the Series 2014 Bonds and facilitated the marketing of the Series 2014 Bonds.

We understand that Bryant Miller Olive P.A. ("Bond Counsel") may rely upon the representations contained in this letter in rendering its opinion that interest on the Series 2014 Bonds is excluded from gross income for Federal income tax purposes. The certifications made herein may only be relied upon by the parties identified above, and then only for the purposes specified herein. Accordingly, these certifications may not be relied upon by any other person or for any other purpose without the express written consent of the Underwriter. The Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein.

PIPER JAFFRAY & CO.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITY OF DUNEDIN, FLORIDA**  
**MASTER SALES TAX BOND RESOLUTION**  
**RESOLUTION NO. 14-37**  
**ADOPTED NOVEMBER 20, 2014**

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RESOLUTION NO. 14-37

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$6,400,000 IN AGGREGATE PRINCIPAL AMOUNT OF THE SALES TAX REFUNDING REVENUE BOND, SERIES 2015 FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING DEBT OF THE CITY AS DESCRIBED HEREIN AND THE MAKING OF OTHER PAYMENTS DESCRIBED HEREIN; PLEDGING THE AMOUNTS RECEIVED BY THE CITY FROM THE LOCAL GOVERNMENT HALF-CENT SALES TAX TRUST FUND PURSUANT TO THE PROVISIONS OF CHAPTER 218, PART VI, FLORIDA STATUTES, TO SECURE PAYMENT THEREOF; MAKING CERTAIN COVENANTS AND AGREEMENTS FOR THE BENEFIT OF THE HOLDERS OF SUCH BONDS; AUTHORIZING CERTAIN OFFICIALS AND EMPLOYEES OF THE CITY TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE SALE, ISSUANCE AND DELIVERY OF BONDS ISSUED HEREUNDER; TAKING CERTAIN OTHER ACTIONS WITH RESPECT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, 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:

"Act" shall mean the Constitution and laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 218, Part VI, Florida Statutes, the Charter of the Issuer, and other applicable provisions of law.

"Additional Bonds" shall mean the obligations issued at any time under the provisions of Section 5.02 and 5.03 hereof on a parity with the Series 2015 Bond.

"Amortization Installment" shall mean an amount designated as such by Supplemental Resolution of the Issuer and established with respect to any Term Bonds.

"Annual Debt Service" shall mean, with respect to any Bond Year, the aggregate amount of (1) all interest required to be paid on the Outstanding Bonds during such Bond Year, except to the extent that such interest is to be paid from deposits in the Interest Account made from Bond proceeds, (2) all principal of Outstanding Serial Bonds maturing in such Bond Year, and (3) all Amortization Installments herein designated with respect to such Bond Year.

"Bond Amortization Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Bond Counsel" shall mean Bryant Miller Olive P.A., or any attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to 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 Year" shall mean the period commencing on October 2 of a year and ending twelve months later on October 1; provided, however, that the initial Bond Year with respect to a Series of Bonds shall commence on the date thereof unless otherwise provided by Supplemental Resolution.

"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 Bond, together with any Additional Bonds issued pursuant to this Resolution.

"Capital Appreciation Bonds" shall mean the aggregate principal amount of the Bonds that bear interest payable solely at maturity or upon redemption prior to maturity in the amounts determined by reference to the Compounded Amounts, all as shall be determined by Supplemental Resolution of the Issuer. 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.

"Charter" shall mean the municipal charter of the Issuer, as amended from time to time.

"City Attorney" shall mean Thomas J. Trask, Esquire of Trask, Metz & Daigneault L.L.P., or any of his partners, or any attorney at law or firm of attorneys duly admitted to practice law before all courts of the State of Florida and appointed from time to time by the Issuer.

"City Clerk" shall mean the City Clerk of the Issuer, or any assistant or deputy City Clerk of the Issuer.

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

"City Manager" shall mean the City Manager or any deputy, assistant, acting or interim City Manager of the Issuer, or such other person as may be duly authorized by the Issuer 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.

"Compounded Amounts" 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 the applicable rate which shall not exceed 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 Compounded Amount as of the immediately preceding interest date and the Compounded Amount as of the immediately succeeding interest date, calculated based on the assumption that Compounded Amount accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year of twelve 30-day months.

"Construction Fund" shall mean the City of Dunedin, Florida, Sales Tax Revenue Bond Construction 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 relating to the Project during, and if deemed advisable by the Issuer for up to one year after the end of, the construction period of such Project and for a reasonable period thereafter, if permitted by applicable provisions of the Code; (6) engineering, legal and other consultant fees and expenses; (7) costs and expenses incidental to the issuance of the Bonds for up to one year, including the fees and expenses of any attorneys, financial advisors, auditors, engineers, Paying Agent, Registrar 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; or (10) 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. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

"Debt Service Fund" shall mean the City of Dunedin, Florida, Sales Tax Revenue Bond Debt Service Fund established pursuant to Section 4.04 hereof.

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

"Federal Securities" shall mean:

1. Cash
2. U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - "SLGs")
3. Direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities.
4. Resolution Funding Corp. (REFCORP). Only the interest component of REFCORP strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form are acceptable.

5. Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P. If, however, the issue is only rated by S&P (i.e., there is no Moody's rating), then the pre-refunded bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals to satisfy this condition.

6. Obligations issued by the following agencies which are backed by the full faith and credit of the U.S.:

a. U.S. Export-Import Bank (Eximbank)

Direct obligations or fully guaranteed certificates of beneficial ownership

b. Farmers Home Administration (FmHA)

Certificates of beneficial ownership

c. Federal Financing Bank

d. General Services Administration

Participation certificates

e. U.S. Maritime Administration

Guaranteed Title XI financing

f. U.S. Department of Housing and Urban Development

(HUD)

Project Notes

Local Authority Bonds

New Communities Debentures – U.S. government guaranteed debentures and U.S. Public Housing Notes and Bonds – U.S. government guaranteed public housing notes and bonds

"Financial Advisor" shall mean D. A. Davidson & Co., or any other financial advisor appointed from time to time by the Issuer.

"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.

"Insurance Policy" or "Insurance Policies" shall mean any policy of bond insurance, letter of credit, guarantee, or other similar form of credit enhancement issued by an Insurer and insuring or guaranteeing the payment when due of all or any portion of the principal of and interest on any Series of Bonds. All references in this Resolution to the Insurance Policy or Insurance Policies shall be of no force and effect (i) if there is a default in the performance of any obligations thereunder by the applicable Insurer, or (ii) at such time as there are no Bonds Outstanding with respect to which an Insurer has issued an Insurance Policy or Insurance Policies.

"Insurer" shall mean the issuer or issuers of any Insurance Policy or any successor corporation that assumes the obligations of the issuer of such Insurance Policy. All references in this Resolution to the Insurer and/or an Insurance Policy shall be of no force and effect to a particular Series of Bonds if such Bonds are not insured, and/or at such time as there are no Bonds Outstanding with respect to which an Insurer has issued an Insurance Policy.

"Interest Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Interest Date" shall be each April 1 and October 1, except as otherwise provided by Supplemental Resolution.

"Issuer" shall mean the City of Dunedin, Florida, a municipal corporation of the State of Florida.

"Maximum Annual Debt Service" shall mean the largest amount of Annual Debt Service for any Bond Year in which Bonds shall be Outstanding, excluding all Bond Years which shall have ended prior to the Bond Year in which Maximum Annual Debt Service shall be computed.

"Maximum Interest Rate" shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution of the Issuer delineating the details of such Bonds, that shall be the maximum rate of interest such Bonds may at any time bear in the future in accordance with the terms of such Supplemental Resolution.

"Mayor" shall mean the Mayor or the Vice Mayor of the Issuer.

"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 an 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 2.06 and 2.08 hereof, and (3) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity.

"Paying Agent" shall mean any paying agent for Bonds appointed by or pursuant to a Supplemental Resolution and its successors or assigns, and any other Person which may at any time be substituted in its place pursuant to this Resolution.

"Permitted Investments" shall mean any investments authorized pursuant to the investment policy of the Issuer and the laws of the State, as may be further designated by Supplemental Resolution.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Funds" shall mean (1) Sales Tax Revenues, and (2) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder, with the exception of the Rebate Fund; provided, however, that proceeds deposited in the Construction Fund in connection with the issuance of a particular Series of Bonds shall only secure such Series.

"Principal Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Project" shall mean the design, acquisition, construction and equipping of any capital improvement project lawfully funded by Sales Tax Revenues.

"Rebate Amount" means the excess of the future value, as of a computation date, of all receipts on nonpurpose investments (as defined in Section 1.148-1(b) of the Income Tax Regulations) over the future value, as of that date, of all payments on nonpurpose investments, all as provided by regulations under the Code implementing Section 148 thereof.

"Rebate Fund" shall mean the City of Dunedin, Florida Sales Tax Revenue Bond Rebate Fund established pursuant to Section 5.08 hereof.

"Rebate Year" shall mean, with respect to a particular Series of Bonds issued hereunder, a one-year period (or shorter period from the date of issue) that ends at the close of business on the day in the calendar year selected by the Issuer as the last day of a Rebate Year. The final Rebate Year with respect to a particular Series of Bonds issued hereunder, however, shall end on the date of final maturity of that Series of Bonds.

"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.

"Refunded Bonds" shall mean all of the Issuer's Sales Tax Revenue Bonds, Series 2005.

"Registrar" shall mean any registrar for the Bonds appointed by or pursuant to a Supplemental Resolution and its successors and assigns, and any other Person which may at any time be substituted in its place pursuant to Supplemental Resolution.

"Reserve Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Reserve Account Policy" shall mean any surety bond, irrevocable letter of credit, guaranty or insurance policy, in lieu of a cash deposit, that satisfies the Reserve Account Requirement following the issuance of the Bonds.

"Reserve Account Requirement" applicable to the Reserve Account shall mean \$0; provided, however, the Issuer may establish by Supplemental Resolution the amount of the Reserve Account Requirement for a subaccount hereafter created in the Reserve Account to secure a Series of Bonds pursuant to Section 4.05(A)(4) hereof.

"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 hereof.

"Revenue Fund" shall mean the City of Dunedin, Florida Sales Tax Revenue Bond Revenue Fund established pursuant to Section 4.04 hereof.

"Sales Tax Revenues" shall mean all amounts received by the Issuer from the Local Government Half-Cent Sales Tax Trust Fund pursuant to the provisions of Chapter 218, Part VI, Florida Statutes.

"Serial Bonds" shall mean all of the Bonds other than the Capital Appreciation Bonds, Term Bonds and Variable Rate 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 Bond" shall mean the Issuer's Sales Tax Refunding Revenue Bond, Series 2015 authorized pursuant to Section 2.02 hereof, or such other name or names as shall be designated pursuant to the authorization in Section 2.02 hereof.

"State" shall mean the State of Florida.

"Subordinate Debt Service Fund" shall mean the City of Dunedin, Florida Sales Tax Revenue Bond Subordinate Debt Service Fund established pursuant to Section 4.04 hereof.

"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.

"Supplemental Resolution" shall mean any resolution of the Issuer amending or supplementing this Resolution adopted and becoming effective in accordance with the terms of Sections 7.01, 7.02 and 7.03 hereof.

"Taxable Bond" 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 tax purposes or that such interest is subject to federal income taxation.

"Term Bonds" shall mean those Bonds which shall be designated as Term Bonds hereby or by Supplemental Resolution of the Issuer and which are subject to mandatory redemption by Amortization Installments.

"Unrestricted Revenue Account" shall mean the separate account in the Revenue Fund established pursuant to Section 4.04 hereof.

"Variable Rate Bonds" shall mean Bonds or other obligations 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.

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 and the Holders from time to time of the Bonds. 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 the Insurer. 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:

(A) That the Issuer issued the Refunded Bonds to finance a portion of the costs associated with the acquisition of land and the construction and equipping thereon of a new City Community Center and related facilities, in accordance with Resolution No. 05-21 adopted by the Issuer on July 7, 2005.

(B) That the Issuer deems it necessary, desirable and in the best interests of the Issuer and its citizens and to serve a paramount public purpose that the Issuer refund the Refunded Bonds for net present value debt service savings.

(C) That, as of the date of issuance of the Series 2015 Bond, the Sales Tax Revenues will not be pledged or encumbered in any manner.

(D) That the estimated Pledged Funds will be sufficient to pay the principal of and interest on the Series 2015 Bond, as the same become due, and all other payments provided for in this Resolution.

(E) That the principal of and interest on the Series 2015 Bond and all other payments provided for in this Resolution will be payable from the Pledged Funds and any other amounts described in a Supplemental Resolution; 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 and, except as otherwise provided herein, the Bonds shall not constitute a lien upon any property of the Issuer.

SECTION 1.05. Refunding of the Refunded Bonds. The Issuer does hereby authorize the refunding of the Refunded Bonds.

[End of Article I]

## ARTICLE II

### AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF BONDS

SECTION 2.01. Authorization of Bonds. This Resolution creates issues of Bonds of the Issuer to be designated as "City of Dunedin, Florida Sales Tax Revenue Bonds" and/or "City of Dunedin, Florida Sales Tax Refunding 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 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.

Unless otherwise set forth herein or in a Supplemental 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.

Unless otherwise set forth herein or in a Supplemental Resolution, the Bonds shall be issued in denominations of \$5,000 or integral multiples thereof, in 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 provide that the proceeds thereof be used in such manner; may be Capital Appreciation Bonds, Serial Bonds, Term Bonds or Variable Rate Bonds (provided, however, that the issuance of Variable Rate Bonds which are Additional Bonds is subject to the provisions of Section 5.02(D) hereof); all as determined by Supplemental Resolution of the Issuer.

SECTION 2.02. Authorization and Description of Series 2015 Bond. A Series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in an aggregate principal amount of not to exceed \$6,400,000, for the principal purposes of refunding the Refunded Bonds and paying certain costs of issuance incurred with respect to such Series. Such Series

shall be designated as, and shall be distinguished from the Bonds of all other Series by the title "City of Dunedin, Florida Sales Tax Refunding Revenue Bond, Series 2015," provided the Issuer may change such designation in the event that the total authorized amount of Series 2015 Bond is not issued in a simultaneous transaction or the Series 2015 Bond is not issued in calendar year 2015.

The Series 2015 Bond shall be dated the date of delivery of the Series 2015 Bond to the purchaser or purchasers thereof or such other date as may be set forth by Supplemental Resolution of the Issuer; shall be issued in such denomination and shall bear interest at a rate or rates not exceeding the maximum rate permitted by law, payable in such manner and on such dates; shall consist of a Term Bond; maturing in such amounts or Amortization Installments and in such years; shall be payable in such place or places; shall have such Paying Agent and Registrar; and shall contain such redemption provisions; all as the Issuer shall provide hereafter by Supplemental Resolution.

All payments of principal of or Redemption Price, 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. Application of Series 2015 Bond Proceeds and Other Legally Available Funds. Except as otherwise provided by Supplemental Resolution, the proceeds derived from the sale of the Series 2015 Bond, including accrued interest and premium, if any, together with other legally available funds of the Issuer, shall, simultaneously with the delivery of the Series 2015 Bond to the purchaser or purchasers thereof, be applied by the Issuer as follows:

(A) Accrued interest, if any, shall be deposited in the Interest Account and shall be used only for the purpose of paying the interest which shall thereafter become due on the Series 2015 Bond.

(B) A sufficient amount shall be applied to the payment of costs and expenses relating to the issuance of the Series 2015 Bond.

(C) The balance shall be used to refund the Refunded Bonds.

SECTION 2.04. Execution of Bonds. The Bonds in the form herein below set forth, or in such form as approved by Supplemental Resolution, shall be signed by, or bear the facsimile signature of the Mayor and shall be attested and countersigned by, or bear the facsimile signature of, the City Clerk, and a facsimile of the official seal of the Issuer shall be imprinted on the Bonds.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such Person remained in office until such delivery. Any Bond may bear the facsimile signature of or may be signed by such Persons who, at the actual time of the execution of such Bond, shall be the proper officers to sign such Bonds although, at the date of such Bond, such persons may not have been such officers.

SECTION 2.05. Authentication. No Bond of any Series shall be secured hereunder or be 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 2.10 hereof.

SECTION 2.06. Temporary Bonds. Until the definitive Bonds of any Series are prepared, the Issuer may execute, in the same manner as is provided in Section 2.04 hereof, and deliver, upon authentication by the Registrar pursuant to Section 2.05 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 canceled by the Registrar.

SECTION 2.07. 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 (e.g., Serial Bonds will be exchanged for Serial Bonds and Capital Appreciation Bonds will be

exchanged for Capital Appreciation Bonds), 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 such Holder's 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 canceled 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 2.07 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 2.08. 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 such Holder's 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, maturity of any other authorized denominations and type (e.g., Serial Bonds will be exchanged for Serial Bonds and Capital Appreciation Bonds will be exchanged for Capital Appreciation Bonds).

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, 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 such Holder's 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 such Holder's 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 such Holder's 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 or draft 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 execute and the Registrar shall authenticate and deliver such Bonds in accordance with the provisions of this Resolution. Execution of Bonds pursuant to Section 2.04 hereof 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 canceled 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 fifteen days next preceding an Interest Date on the Bonds of such Series (other than Variable Rate Bonds), or, in the case of any proposed redemption of Bonds of such Series, then during the fifteen days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

SECTION 2.09. Coupon Bonds; Capital Appreciation Bonds; Variable Rate Bonds. The Issuer, at its discretion, may by Supplemental Resolution authorize the issuance of coupon Bonds, registrable as to principal only or as to both principal and interest, Capital Appreciation Bonds or Variable Rate Bonds. Such Supplemental Resolution shall provide for the negotiability, transfer, interchangeability, denominations and form of such Bonds and, if applicable, coupons appertaining thereto. Coupon Bonds (other than Taxable Bonds) shall only be issued if an opinion of Bond Counsel is received to the effect that issuance of such coupon Bonds will not adversely affect the exclusion from gross income of interest earned on such Bonds for federal income tax purposes.

SECTION 2.10. Form of Bonds. The text of the Bonds, except as otherwise provided pursuant to Section 2.09 hereof and/or as approved pursuant to a Supplemental Resolution of the Issuer, shall be in substantially the following form with such non-material 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 the Issuer's delivery of the Bonds to the purchaser or purchasers thereof):

[Remainder of page intentionally left blank]

No. R-\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF DUNEDIN, FLORIDA  
SALES TAX [REFUNDING] REVENUE BONDS, SERIES \_\_\_\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
___%	October 1, ___	_____	_____

Registered Holder: \_\_\_\_\_

Principal Amount: \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS, that the City of Dunedin, Florida, a municipality created and existing under and by virtue of 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 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 April 1 and October 1 of each year commencing \_\_\_\_\_ 1, \_\_\_\_\_, 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. Interest on this Bond will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Such Principal Amount and interest and the redemption 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 redemption 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 option of such Paying Agent, and at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder. In the event interest payable on this Bond is not punctually paid or duly provided for by the Issuer on such interest payment date, payment of each installment of such defaulted interest shall be made to the person in whose name this Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such Registered Holder, not less than ten days preceding such special record date.

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 for the purpose of \_\_\_\_\_, under the authority of and in full compliance with the Constitution and laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 218, Part VI, Florida Statutes, the Charter of the Issuer, and other applicable provisions of law (collectively, the "Act"), and Resolution No. 14-37 adopted by the City Commission on November 20, 2014, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. \_\_-\_\_ adopted by the City Commission on \_\_\_\_\_, 2014 (collectively, the "Resolution"), and is subject to the terms and conditions of the Resolution.

The Bonds and the interest thereon are payable solely from and secured by a lien upon and a pledge of (1) the Sales Tax Revenues, 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, with the exception of the Rebate Fund; provided, however, that proceeds deposited in the Construction Fund in connection with the issuance of a particular Series of Bonds shall only secure such Series (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 THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL, 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, OR 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.

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.

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 IN THIS PLACE.

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 Dunedin, Florida, has issued this Bond and has caused the same to be signed by the Mayor and countersigned and attested to by the City Clerk (the signatures of the Mayor and the City Clerk being authorized to be facsimiles of such officers' signatures), and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of this 20 day of NOVEMBER 2014

CITY OF DUNEDIN  
FLORIDA

(SEAL)

By: Julie Ward Bujalski  
Name: JULIE WARD BUJALSKI

Title: Mayor

ATTESTED AND COUNTERSIGNED:

By: Denise M. Kirkpatrick  
Name: DENISE M. KIRKPATRICK  
Title: City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within mentioned Resolution.

Date of Authentication:

\_\_\_\_\_

\_\_\_\_\_

Agent

\_\_\_\_\_

Registrar, as Authenticating

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

\_\_\_\_\_

Authorized Officer

[Provisions on Reverse Side of Bond]

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 such Holder's 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 such Holder's 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 denominations of \$5,000 and integral multiples thereof, not exceeding the aggregate principal amount of the Bonds maturing on the same date. 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 and the Registrar shall not be obligated to make any exchange or transfer of the Bonds during the fifteen days next preceding an interest payment date, or in the case of any proposed redemption of the Bonds, then, during the fifteen days next preceding the date of the first mailing of notice of such redemption.

[INSERT REDEMPTION PROVISIONS]

Notice of redemption, unless waived, is to be given by the Registrar by mailing an official redemption notice by registered or certified mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Holders of the Bonds to be redeemed at such Holders' addresses shown on the registration books maintained by the Registrar or at such other addresses as shall be furnished in writing by such Registered Holders to the Registrar. Provided, however, that no defect in any such notice to any Registered Holder of Bonds to be redeemed nor failure to give such notice to any such Registered Holder nor failure of any such Registered Holder to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other Registered Holders of Bonds to be redeemed. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds 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.

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.

#### ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Insert Name, Address, Social Security or Other Identifying Number 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 a member firm of the New York Stock Exchange or a commercial bank or trust company.

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 Transfer to Minors Act of \_\_\_\_\_  
(State)

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

STATEMENT OF INSURANCE

[IF APPLICABLE, INSERT INSURER LANGUAGE]

[End of Article II]

## 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 Variable Rate Bonds. The terms and provisions relating to redemption of Variable Rate Bonds shall be provided by Supplemental Resolution.

SECTION 3.02. Selection of Bonds to be Redeemed. Except for the Series 2015 Bond, the Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Issuer shall, at least sixty (60) 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 forty-five (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 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. Other than as provided by Supplemental Resolution adopted prior to the issuance of any Series of Bonds, unless waived by any Holder of Bonds to be redeemed, notice of any redemption made pursuant to this section shall be given by the Registrar on behalf of the Issuer by mailing a copy of an official redemption notice by registered or certified mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to each Holder of Bonds to be redeemed at the address of such Holder shown on the registration books maintained by the Registrar or at such other address as shall be furnished in writing by such Holder to the Registrar; provided, however, that no defect in any notice given pursuant to this Section to any Holder of Bonds to be redeemed nor failure to give such notice shall in any manner defeat the effectiveness of a call for redemption as to all other Holders of Bonds to be redeemed.

Every such official notice of redemption shall be dated and shall state:

- (1) the redemption date,
- (2) the Redemption Price,
- (3) if less than all Outstanding Bonds are to be redeemed, the number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed,
- (4) that, on the redemption date, the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and
- (5) that such 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.

Prior to any redemption date, the Issuer shall deposit with the Registrar an amount of money sufficient to pay the Redemption Price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds 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 at the Redemption Price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal of such partially redeemed Bond. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

Notwithstanding the foregoing or any other provision hereof, notice of optional redemption pursuant to this Section 3.03 may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the Issuer if expressly set forth in such notice.

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 such Holder's 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 canceled by the Registrar and shall not be reissued.

[End of Article III]

## 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. 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 PROVIDED HEREIN.

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 4.02. 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. 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.

SECTION 4.03. Construction Fund. The Issuer covenants and agrees to establish a separate fund in a bank or trust company in the State, which is eligible under the laws of such State to receive funds of the Issuer, to be known as the "City of Dunedin, Florida Sales Tax Revenue Bond Construction Fund" (the "Construction Fund"), which shall be used only for payment of the Cost of a Project. Moneys in the Construction Fund which derive from a particular Series of Bonds, until applied in payment of any item of the Cost of a Project, in the manner hereinafter provided, shall be held in trust by the Issuer and shall be subject to a lien and charge in favor of the Holders of such Series of Bonds and for the further security of such Holders.

SECTION 4.04. Funds and Accounts. The Issuer covenants and agrees to establish with a bank or trust company in the State of Florida, which is eligible

under the laws of such State to receive funds of the Issuer, separate funds to be known as the "City of Dunedin, Florida Sales Tax Revenue Bond Revenue Fund" (the "Revenue Fund"), the "City of Dunedin, Florida Sales Tax Revenue Bond Debt Service Fund" (the "Debt Service Fund") and the "City of Dunedin, Florida Subordinate Debt Service Fund" (the "Subordinate Debt Service Fund"). The Issuer shall maintain in the Revenue Fund two accounts: the "Restricted Revenue Account" and the "Unrestricted Revenue Account." The Issuer shall maintain in the Debt Service Fund four accounts: the "Interest Account," the "Principal Account," the "Bond Amortization Account," and the "Reserve Account." Moneys in the aforementioned funds and accounts, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders and for the further security of the Holders.

The Issuer shall at any time and from time to time appoint one or more qualified depositories to hold, for the benefit of the Bondholders, any one or more of the funds and accounts 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 agents and employees.

#### SECTION 4.05. Flow of Funds.

(A) Unless otherwise set forth in a Supplemental Resolution, beginning on the date the Series 2015 Bond is issued, only to the extent a sufficient amount is not already on deposit from other legally available revenue sources of the Issuer in amounts sufficient to satisfy all payment obligations hereunder, the Issuer shall deposit the Sales Tax Revenues into the Restricted Revenue Account promptly upon receipt thereof. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the 25th day of each month, commencing with the month in which delivery of the Series 2015 Bond shall be made to the purchaser or 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 into or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all Outstanding Bonds accrued and unpaid and to accrue to the end of the then current calendar month. Moneys in the Interest Account shall be used to pay interest on the Bonds as and when the same become due, whether by redemption or otherwise, and for no other purpose. The Issuer shall adjust the amount of the deposit into the Interest Account not later than the 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.

(2) Principal Account. Next, the Issuer shall deposit into or credit to the Principal Account the sum which, together with the balance in said Account, shall equal the principal amounts on all Outstanding Bonds due and unpaid and that portion of the principal next due within one year which would have accrued on said Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve equivalent calendar months of thirty days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding principal payment due date, from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be used to pay the principal of the Bonds as and when the same shall mature, and for no other purpose. The Issuer shall adjust the amount of 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.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, the Issuer shall deposit into or credit to the Bond Amortization Account the sum which, together with the balance in said Account, shall equal the Amortization Installments on all Bonds Outstanding due and unpaid and that portion of the Amortization Installments of all Bonds Outstanding next due which would have accrued on such Bonds during the then current calendar month if such Amortization Installments were deemed to accrue monthly (assuming that a year consists of twelve equivalent calendar months having thirty 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, and for no other purpose. The Issuer shall adjust the amount of the deposit into the Bond Amortization Account not later than the 25th day of 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. 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 (60) 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 greater than the Redemption Price at which such Term Bonds may be redeemed on the first date thereafter on which such Term Bonds shall be subject to redemption, or (b) to the redemption at the applicable Redemption Price of such Term Bonds, if then redeemable by their terms. 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 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 Revenue Fund.

(4) Reserve Account. Next, the Issuer shall deposit into or credit to the Reserve Account and/or any subaccount hereafter created therein a sum sufficient to maintain therein an amount equal to the applicable Reserve Account Requirement. Moneys in the Reserve Account (or any subaccount therein) shall be used only for the purpose of the payment of maturing principal of or interest or Amortization Installments on the Bonds which are secured thereby when the other moneys in the Debt Service Fund are insufficient therefor, and for no other purpose. However, whenever the moneys on deposit in the Reserve Account (or any subaccount therein) exceed the applicable Reserve Account Requirement, such excess shall be withdrawn and deposited into the Interest Account.

Upon the issuance of any Additional Bonds under the terms, limitations and conditions as herein provided, the Issuer may, on the date of delivery of such Additional Bonds, create and establish a separate subaccount in the Reserve Account to secure such Series of Bonds, and may also establish an applicable

Reserve Account Requirement. Such required sum may be paid in full or in part from the proceeds of such Additional Bonds.

Notwithstanding the foregoing provisions, in lieu of the required cash deposits into the Reserve Account (or any subaccounts therein), subject to the written consent of the Insurer or Insurers, the Issuer may, at any time, cause to be deposited into the Reserve Account (or any subaccounts therein) a surety bond, irrevocable letter of credit, guaranty or an insurance policy for the benefit of the applicable Bondholders in an amount equal to the difference between the applicable Reserve Account Requirement and the sums then on deposit in the Reserve Account and/or any subaccount therein. Such surety bond, irrevocable letter of credit, guaranty or insurance policy shall be payable to the Paying Agent (upon the giving of notice as required thereunder) on any Interest Date on which a deficiency exists which cannot be cured by funds in any other fund or account held pursuant to this Resolution and available for such purpose. Repayment of draws made from a surety bond, irrevocable letter of credit, guaranty or an insurance policy provided pursuant to this paragraph, shall be made in accordance with a Supplemental Resolution.

Whenever the amount in the Reserve Account or any subaccount therein, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all applicable Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account or any subaccount therein may be transferred to the other accounts of the Debt Service Fund for the payment of such Bonds.

(5) Subordinate Debt Service Fund. Next, the Issuer shall deposit into or credit to the Subordinate Debt Service Fund such sums as are required by the proceedings authorizing the issuance of Subordinated Indebtedness.

(6) Unrestricted Revenue Account. The balance of any moneys after the monthly deposits required by Sections 4.05(A)(1) through 4.05(A)(5) hereof may be transferred, at the discretion of the Issuer, to the Unrestricted Revenue Account or to any other appropriate fund or account of the Issuer and may be used for any lawful purpose.

(B) 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) At least one business day prior to the date established for payment of any principal of or Redemption Price, if applicable, 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 Redemption Price, if applicable, or interest and deposit such moneys with the Paying Agent for the Bonds to be paid.

SECTION 4.06. Investments. The Restricted Revenue Account, the Construction 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 and the investment policy of the Issuer. Moneys on deposit in the Restricted Revenue Account, the Construction Fund and the Debt Service Fund may be invested and reinvested in Permitted Investments maturing no later than the date on which the moneys therein will be needed. Any and all income received by the Issuer from the investment of moneys in each account of the Construction Fund, Interest Account, the Principal Account, the Bond Amortization Account, the Reserve Account or any subaccount therein (but only to the extent that the amount therein is less than the applicable Reserve Account Requirement) and the Restricted Revenue Account shall be retained in such respective Fund or Account unless otherwise required by applicable law. To the extent that the amount in the Reserve Account or any subaccount therein is equal to or greater than the applicable Reserve Account Requirement, any and all income received by the Issuer from the investment of moneys therein shall be transferred, upon receipt, and deposited into the Interest Account.

Nothing contained in this Resolution shall prevent any Permitted 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 4.07. Separate Accounts. The moneys required to be accounted for in each of the foregoing funds and accounts established herein may be deposited in a single bank account, and funds allocated to the various funds and accounts 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 and accounts as herein provided.

The designation and establishment of the various funds and accounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute

an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

[End of Article IV]

## 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 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 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 all payments thereon shall be subordinate to payments on the Bonds. 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 on a basis subordinate to the Bonds, 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 the Cost of a Project, or the completion thereof, or, subject to compliance with the requirements of the Code that must be satisfied, refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the Issuer.

No such Additional Bonds shall be issued unless the following conditions are complied with:

(A) There shall have been obtained and filed with the Issuer a statement of the Director of Finance (1) setting forth the amount of the Sales Tax Revenues received by the Issuer during the most recent Fiscal Year for which audited financial statements are available, or for at least 12 consecutive months during the 24 months immediately preceding the issuance of such Additional Bonds; (2) stating that the amount of the Sales Tax Revenues received during the selected twelve month period equaled at least 1.75 times the Maximum Annual Debt Service of all Bonds then Outstanding including such proposed Additional

Bonds with respect to which such statement is made; and (3) stating that the Issuer is not in default of any of the provisions, covenants and agreements contained in this Resolution and that there are no deficiencies in the Debt Service Fund.

For the purposes of the covenants contained in this Section 5.02, Annual Debt Service, with respect to Variable Rate Bonds, shall be determined assuming that such obligations bear interest at the higher of 6.00% per annum or the actual interest rate borne during the month immediately preceding the date of calculation. The foregoing notwithstanding, for purposes of calculating annual debt service, any indebtedness which bears interest at a variable rate with respect to which the Issuer has entered into an interest rate swap or interest rate cap for a notional amount equal to the principal amount of such variable rate indebtedness shall be treated for purposes of this Section 5.02 as bearing interest at a fixed rate equal to the fixed rate payable by the Issuer under the interest rate swap, or the capped rate provided by the interest rate cap.

(B) 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. 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 Bond over any other.

(C) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of this Section 5.02 shall not apply, provided that the issuance of such Additional Bonds shall not result in an increase in the aggregate amount of Annual Debt Service on the Outstanding Bonds becoming due. 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.

(D) The Issuer shall receive the prior written consent of the Insurer or Insurers prior to the issuance of any Variable Rate Bonds secured by the Pledged Funds.

SECTION 5.03. Bond Anticipation Notes. Subject to Sections 5.01 and 5.02 hereof, 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. Books and Records. The Issuer will keep books and records of the receipt of the Sales Tax Revenues in accordance with generally accepted accounting principles, and any 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 5.05. Annual Audit. The Issuer shall, within a reasonable amount of time 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. Such annual financial statements shall contain, but not be limited to, a balance sheet, a statement of revenues, expenditures and changes in fund balance, and any other statements as required by law or accounting convention. The annual financial statements shall be prepared in conformity with generally accepted accounting principles.

SECTION 5.06. No Impairment. As long as there are Bonds Outstanding hereunder, 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 City Commission.

SECTION 5.07. Collection of Sales Tax Revenues. The Issuer covenants to do all things necessary on its part to continue the receipt of the Sales Tax Revenues in compliance with the Act and any successor provision of law governing the same. The Issuer will proceed diligently to perform legally and effectively all steps required on its part to receive the Sales Tax Revenues and shall exercise all legally available remedies to enforce such collections now or hereafter available under State law.

SECTION 5.08. Federal Income Tax Covenants; Taxable Bonds.

(A) 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 the gross income of the Holder thereof for federal income tax purposes.

(B) 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 Section 148 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 the gross income of the Holder thereof for federal income tax purposes.

(C) 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 the gross income of the Holder thereof for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

(D) 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 tax 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 includable in the gross income of the Holder thereof for federal income tax purposes. The covenants set forth in paragraphs (A), (B) and (C) above shall not apply to any Taxable Bonds.

(E) There is hereby created and established a fund to be known as the "City of Dunedin, Florida Sales Tax Revenue Bond Rebate Fund" (the "Rebate Fund"), and a separate account therein for each Series of Bonds. The Issuer shall deposit into the appropriate account in the Rebate Fund, from investment earnings on moneys deposited in the other funds and accounts created hereunder, or from any other legally available funds of the Issuer, an amount equal to the Rebate Amount for such Rebate Year. The Issuer shall use such moneys deposited in the appropriate account in the Rebate Fund only for the payment of the Rebate Amount to the United States as required by this Section 5.08. In complying with the foregoing, the Issuer may rely upon any instructions or opinions from Bond Counsel.

If any amount shall remain in the Rebate Fund after payment in full of all Bonds issued hereunder that are not Taxable Bonds and after payment in full of the Rebate Amount to the United States in accordance with the terms hereof, such amounts shall be available to the Issuer for any lawful purpose.

The Rebate Fund shall be held separate and apart from all other funds and accounts of the Issuer, shall not be impressed with a lien in favor of the Bondholders and the moneys therein shall be available for use only as herein provided.

[End of Article V]

## ARTICLE VI

### DEFAULTS AND REMEDIES

SECTION 6.01. Events of Default. The following events shall each constitute an "Event of Default:"

(A) The Issuer shall fail to make a payment of the principal of, Amortization Installment, redemption premium or interest on any Bond when it becomes due, and such failure shall continue for ten days.

(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 thirty days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of Bonds Outstanding or the Insurer of such amount of Bonds. Notwithstanding the foregoing, the Issuer shall not be deemed in default hereunder if such default can be cured within 120 days and if the Issuer in good faith institutes curative action and diligently pursues such action until the 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, 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.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five percent (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 twenty-five percent (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 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.

Upon the occurrence and during the continuation of any Event of Default described in Section 6.01(A) and/or Section 6.01(B) only, the Holder or Holders of not less than fifty percent (50%) of the Bonds Outstanding, in addition to any other remedies set forth in this Resolution the Owner, may declare the entire debt remaining in connection with all Bonds unpaid hereunder immediately due and payable, and in any such default and acceleration, the Issuer shall also be obligated to pay as part of the indebtedness evidenced by the Bonds, all costs of collection and enforcement thereof, including such reasonable attorneys' fees as may be incurred, including on appeal or incurred in any proceeding under any bankruptcy laws as they now or hereafter exist.

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 who is not in default in the performance of any of its obligations under its Insurance Policy) 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, 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 of this Resolution 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 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 (if not the Issuer or an employee of the Issuer) and Paying Agent (if not the Issuer or an employee of the Issuer) hereunder; and

(B) To the payment of the interest and principal or Redemption Price, if applicable, then due on the Bonds, as follows:

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 of any of the Bonds which shall have become due at maturity or as Amortization Installments 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.

[End of Article VI]

ARTICLE VII

SUPPLEMENTAL RESOLUTIONS

SECTION 7.01. Supplemental Resolutions 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 Resolutions 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, 2.02 or 2.09 hereof, 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 Additional Bonds or Projects.

(G) To specify and determine matters necessary or desirable for the issuance of Variable Rate Bonds.

(H) To make any other change that, in the opinion of the Issuer, would not materially adversely affect the security for the Bonds.

SECTION 7.02. Supplemental Resolutions with Bondholders' 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 two-thirds 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 the Insurer of any Bonds which are Outstanding at the time such Supplemental Resolution shall take effect. No Supplemental Resolution may be approved or adopted which shall permit or require (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 other than the lien and pledge created by this Resolution which adversely affects any Bondholders, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds, 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 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 City 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 City 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 City Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than two-thirds 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 two-thirds 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.

SECTION 7.03. Supplemental Resolutions with Insurer's Consent in lieu of Bondholders' Consent. Notwithstanding any provisions of Section 7.02 above to the contrary, if the Insurer of a particular Series of Bonds is not then in default in the performance of any of its obligations under its Insurance Policy, the approvals, consents and notifications required by Section 7.02 above to be given by or to the Holders of the Bonds, as the case may be, subject to such Insurance Policy shall be given solely by or to the Insurer, as the case may be, and the instrument contemplated by Section 7.02 above shall be executed solely by the Insurer and the Holders of the Bonds subject to such Insurance Policy shall have no right to receive such notification or give such approvals and consents or to execute such certificate except that the adoption of Supplemental Resolutions that would have any of the effects described in (A) through (E) in Section 7.02 above shall require the approval and consent of all Holders of Bonds then Outstanding and the Insurer.

[End of Article VII]

## ARTICLE VIII

### MISCELLANEOUS

SECTION 8.01. Defeasance. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid to the Holders of all Bonds, the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of the Pledged Funds, and all covenants, agreements and other obligations of the Issuer to the Bondholders, 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 the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto, whether at or prior to the maturity or redemption date of such Bonds, shall be deemed to have been paid within the meaning of this Section 8.01 if (A) 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 (B) 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 Federal Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with such bank or trust company at the same time shall be sufficient, to pay the principal of or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be. Except as hereafter provided, neither the Federal Securities nor any moneys so deposited with such bank 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 Federal 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, if applicable, of the Bonds for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption; provided, however, the Issuer may substitute new Federal Securities and moneys for the deposited Federal Securities and moneys if the new Federal Securities and moneys are sufficient to pay the principal of or Redemption Price, if applicable, and interest on the refunded Bonds.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or specified Federal 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 Federal 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.

In the event the Bonds for which moneys are to be deposited for the payment thereof in accordance with this Section 8.01 are not by their terms subject to redemption within the next succeeding sixty (60) days, 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 Federal 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 or redemption date upon which moneys are to be available for the payment of the principal of or Redemption Price, if applicable, and interest on said Bonds.

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.

SECTION 8.02. 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 and as shall be approved by Supplemental Resolution of the Issuer.

SECTION 8.03. Capital Appreciation Bonds. For the purposes of (i) receiving payment of the redemption price of a Capital Appreciation Bond if redeemed prior to maturity, (ii) receiving payment if the principal of all Bonds is declared immediately due and payable, (iii) computing Annual Debt Service, and (iv) computing the amount of Holders required for any notice, consent, request

or demand hereunder for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Compounded Amount.

SECTION 8.04. General Authority. The members of the City Commission of the Issuer and the Issuer's officers, attorneys and other agents and employees are hereby authorized to perform all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel to effectuate the sale of the Bonds to said initial purchasers.

SECTION 8.05. No Third Party Beneficiaries. Except as may be expressly described herein, nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon anyone of another entity other than the Issuer and the Holders any right, remedy or claim, legal or equitable, under and by reason of this Resolution, or any provision hereof or thereof, or of the Bond, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Holders from time to time.

SECTION 8.06. No Personal Liability. Neither the members of the City Commission of the Issuer, any person executing the Bonds, any other Charter Officials, nor employees of the Issuer shall be personally liable therefor or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 8.07. 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 8.08. Repeal of Inconsistent Instruments. All resolutions, or parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 8.09. Effective Date. This Resolution shall take effect immediately upon its adoption.

[End of Article VIII]

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Passed and adopted by the City Commission of the City of Dunedin,  
Florida this 20th day of November, 2014.

CITY OF DUNEDIN, FLORIDA

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

Name: Julie Ward Bujalski

Title: Mayor

Approved as to form:

Attest:

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

Name: Thomas J. Trask

Title: City Attorney

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

Name: Denise Kirkpatrick, CMC

Title: City Clerk

RESOLUTION NO. 14-38

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, SUPPLEMENTING A RESOLUTION ADOPTED ON EVEN DATE HERewith TO FIX CERTAIN DETAILS IN CONNECTION WITH THE ISSUANCE OF ITS NOT TO EXCEED \$6,400,000 SALES TAX REFUNDING REVENUE BOND, SERIES 2015 FOR THE PURPOSE OF ADVANCE REFUNDING CERTAIN OUTSTANDING DEBT OF THE CITY AS DESCRIBED HEREIN AND PAYING COSTS RELATED THERETO, SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS CONTAINED HEREIN; FIXING CERTAIN TERMS AND DETAILS OF SUCH BOND; AUTHORIZING THE PRIVATE NEGOTIATED SALE OF SUCH BOND TO THE FINANCIAL INSTITUTION NAMED HEREIN PURSUANT TO THE TERMS AND CONDITIONS DESCRIBED HEREIN; APPOINTING AN ESCROW AGENT; APPROVING THE FORM AND EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND RATE LOCK AGREEMENT; MAKING SUCH DETERMINATIONS AS ARE REQUIRED TO AFFORD SUCH BOND "BANK QUALIFIED" STATUS; AUTHORIZING OTHER REQUIRED ACTIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA:

SECTION 1. Authority for this Resolution. This resolution is adopted pursuant to the provisions of the Act.

SECTION 2. Definitions. Unless otherwise defined in the Master Resolution, the following words and phrases shall have the following meanings when used herein:

"Authorization Denominations" shall mean a minimum denomination of \$100,000.

"Bond" shall mean the Series 2015 Bond authorized in the Master Resolution and hereby.

"Business Day" shall mean any day except any Saturday or Sunday or day on which the Principal Office of the Original Purchaser is closed.

"Escrow Agent" shall mean the bank, trust company or financial institution appointed pursuant to Section 13 hereof.

"Interest Date" shall mean, with respect to the Bond, each April 1 and October 1, commencing with April 1, 2015.

"Master Resolution" shall mean Resolution No. 14-37 adopted by the City Commission of the Issuer on even date herewith entitled "Master Sales Tax Bond Resolution".

"Maturity Date" shall mean October 1, 2025, unless earlier redeemed.

"Original Purchaser" shall mean TD Bank, N.A., the original Holder of the Bond.

"Owner" or "Owners" or "Holder" or "Bondholder" shall mean the Person or Persons in whose name or names the Bond shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Resolution.

"Principal Office" shall mean, with respect to the Original Purchaser, the office located at 2307 W. Kennedy Boulevard, Tampa, Florida 33609, or such other office as the Original Purchaser may designate to the Issuer in writing.

### SECTION 3. Findings.

(A) It is estimated that the Pledged Funds will be sufficient to provide for the payment of the principal of and interest on the Bond and all other payment obligations under the Master Resolution.

(B) Following a competitive selection process with a request for proposals, the Issuer has received the best offer from the Original Purchaser to purchase the Bond.

(C) The Issuer has determined it to be in its best interests and to serve a paramount public purpose to provide in this resolution for the issuance of the

Bond for the purposes heretofore described, and this resolution shall constitute a Supplemental Resolution for purposes of the Master Resolution.

(D) In consideration of the purchase and acceptance of the Bond authorized to be issued hereunder by those who shall be the Owner thereof from time to time, this Resolution shall constitute a contract between the Issuer and the Owner.

SECTION 4. Authorization of the Bond. Subject and pursuant to the provisions of this Resolution, an obligation of the Issuer to be known as "City of Dunedin, Florida Sales Tax Refunding Revenue Bond, Series 2015" is hereby authorized to be issued under and secured by this Resolution, in the principal amount of not to exceed \$6,400,000, for the purpose of providing funds to advance refund the Refunded Bonds and pay the costs of issuing the Bond. Notwithstanding anything in the Master Resolution to the contrary, the Bond shall be issued in a minimum denomination of \$100,000. Because of the characteristics of the Bond, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Bond, it is in the best interest of the Issuer to accept the offer of the Original Purchaser to purchase the Bond at a private negotiated sale. Prior to the issuance of the Bond, the Issuer shall receive from the Original Purchaser a Purchaser's Certificate, the form of which is attached hereto as Exhibit B and the Disclosure Letter containing the information required by Section 218.385, Florida Statutes, a form of which is attached hereto as Exhibit C.

SECTION 5. Description of the Bond; Approval of Rate Lock Agreement. The Bond shall be issued as a Term Bond with a final maturity of the Maturity Date, to be dated the date of the execution and delivery, which shall be a date agreed upon by the Issuer and the Original Purchaser, and, based upon the advice of the Financial Advisor, shall have such other terms and provisions, including a fixed interest rate in an amount not to exceed 3.50% (subject to adjustment as set forth in the Bond) and not exceeding the maximum interest rate permitted by the Act, principal and interest payment terms, and a redemption provision as stated herein and/or in the form of the Bond attached hereto as Exhibit A. The denomination of the Bond shall be its face amount. Interest on the Bond shall be calculated on the basis of a 360 day year consisting of twelve 30-day months. The Bond is to be in substantially the form set forth on Exhibit A attached hereto, together with such non-material changes as shall be approved by the Mayor, such approval to be conclusively evidenced by the execution thereof by the Mayor. The Bond shall be executed on behalf of the Issuer with the manual or facsimile signature of the Mayor and a facsimile of the official seal of the Issuer, such signature to be attested and countersigned by the City Clerk. In case any one or more of the officers who shall have signed or

sealed the Bond or whose facsimile signature shall appear thereon shall cease to be such officer of the Issuer before the Bond so signed and sealed has been actually sold and delivered, the Bond may nevertheless be sold and delivered as herein provided and may be issued as if the Person who signed or sealed the Bond had not ceased to hold such office. The 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 Bond shall be actually sold and delivered.

The Issuer hereby appoints the City Clerk to serve as Paying Agent and Registrar on the Bond.

Prior to the issuance of the Bond, the Director of Finance may execute a Rate Lock Agreement on behalf of the Issuer, in the form attached hereto as Exhibit E, with the Original Purchaser, in order to eliminate the risk that the fixed rate applicable to the Bond will thereafter increase.

SECTION 6. Registration and Exchange of Bond; Persons Treated as Owner. The Bond is initially registered to the Original Purchaser. So long as the Bond shall remain unpaid, the Registrar will keep books for the registration and transfer of the Bond. The Bond shall be transferable only upon such registration books and only in Authorized Denominations.

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

SECTION 7. Execution of Escrow Deposit Agreement; Redemption of Refunded Bonds. The Issuer hereby approves the Escrow Deposit Agreement as set forth in the form attached hereto as Exhibit D. The Escrow Deposit Agreement shall be executed in the name of the Issuer by the Mayor and attested and countersigned by the City Clerk, the official seal of the Issuer to be imprinted thereon, with such additional changes and insertions therein as are subsequently approved, and such execution and delivery shall be conclusive evidence of the approval thereof by such officers. The Issuer hereby also authorizes the Director

of Finance to engage such professionals as in her discretion are competent to provide a verification report with respect to the Refunded Bonds.

Subject to the execution and delivery of the Series 2015 Bond for the purpose of refunding the Refunded Bonds, the Issuer hereby irrevocably calls the callable Refunded Bonds for early redemption on October 1, 2015, or such other date as determined by the Mayor in the Escrow Deposit Agreement. Not less than thirty (30) days prior to such redemption date, the Issuer hereby directs The Bank of New York Mellon Trust Company, N.A., in its capacity as Paying Agent for the Refunded Bonds (the "2005 Paying Agent"), to mail a notice of the redemption of the callable Refunded Bonds to each holder thereof in accordance with the requirements of Section 14 of Resolution No. 05-21 adopted by the City Commission of the Issuer on July 7, 2005, in the form to be prepared by Bond Counsel. Furthermore, upon issuance of the Series 2015 Bond for the purposes of refunding the Refunded Bonds, the Issuer hereby directs the 2005 Paying Agent to mail a notice of defeasance to each holder of the Refunded Bonds in the form to be prepared by Bond Counsel.

SECTION 8. Payment of Principal and Interest; Limited Obligation.

The Issuer promises that it will promptly pay the principal of and interest on the Bond at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof. The Bond shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable in the manner and to the extent provided in the Master Resolution and hereby. No holder of any Bond issued hereunder 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 funds of the Issuer except from the Pledged Funds as described herein.

SECTION 9. Financial Information and Other Covenants.

(A) Not later than 210 days after the close of each Fiscal Year, the Issuer shall provide the Original Purchaser while it is an Owner of the Bond with its Comprehensive Annual Financial Report including annual financial statements for such Fiscal Year of the Issuer, prepared in accordance with applicable law and generally accepted accounting principles and audited by an independent certified public accountant. All accounting terms not specifically defined or specified herein shall have the meanings attributed to such terms under generally accepted accounting principles as in effect from time to time, consistently applied. The Issuer shall annually provide to the Original Purchaser while it is an Owner of the Bond a copy of its budget within 60 days of its adoption, and such other financial information as may be reasonably requested by an Owner.

(B) The Issuer shall timely provide the Original Purchaser notice of any Event of Default or any event that with the passage of time or the giving of notice would become an Event of Default upon actual knowledge.

SECTION 10. Bank Qualified. The Issuer hereby designates Bond as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code. The Issuer and any subordinate entities of the Issuer and any issuer of "tax-exempt" debt that issues "on behalf of" the Issuer do not reasonably expect during the calendar year 2015 to issue more than \$10,000,000 of "tax-exempt" obligations including the Bond, exclusive of any private activity bonds as defined in Section 141(a) of the Code (other than qualified 501(c)(3) bonds as defined in Section 145 of the Code) and exclusive of bonds issued to currently refund any existing tax-exempt obligations.

SECTION 11. Prior Resolutions. All prior resolutions of the Issuer inconsistent with the provisions of the Master Resolution are hereby amended and supplemented to conform with the provisions herein contained and, except as may otherwise amended and supplemented hereby, the Master Resolution shall remain in full force and effect.

SECTION 12. No Personal Liability. Neither the members of the City Commission nor any Person executing the Bond shall be personally liable therefor or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 13. Appointment of Escrow Agent. The Bank of New York Mellon Trust Company, N.A. is hereby appointed Escrow Agent with respect to the Refunded Bonds.

SECTION 14. General Authority. The Mayor, the City Manager, the Director of Finance, the City Attorney and any other proper officials of the Issuer are hereby authorized to do all acts and things required of them by this resolution, the Master Resolution, the Bond, or any other agreement or contract relating to the Bond, or that may otherwise be desirable or consistent with accomplishing the full, punctual and complete performance of all the terms, covenants and agreements contained in any of the foregoing and each member, employee, attorney and officer of the Issuer is hereby authorized and directed to execute and deliver any and all papers and instruments, including without limitation tax returns, non-arbitrage certificates, and various other certificates, and to cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated thereby.

SECTION 15. Transfer of Funds. On the date of issuance of the Series 2015 Bond, the Issuer may transfer moneys on deposit in the funds and accounts created for the benefit of the Refunded Bonds to the Escrow Agent to be held on behalf of the Issuer and to be used pursuant to the terms of the Escrow Deposit Agreement.

SECTION 16. Jury Trial Waiver. To the extent permitted by law, the Issuer knowingly, voluntarily, and intentionally waives any right it may have to a trial by jury, with respect to any litigation or legal proceedings based on or arising out of the Resolution or the Series 2015 Bond, including any course of conduct, course of dealings, verbal or written statement or actions or omissions of any party which in any way relates to the Series 2015 Bond or the Resolution.

SECTION 17. Severability and Invalid Provisions. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, but 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 the other provisions hereof or of the Bond.

SECTION 18. Applicable Law. The Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 19. Master Resolution to Continue in Force. The Master Resolution and all the terms and provisions thereof are and shall remain in full force and effect and shall be applicable with respect to the Bond to the same effect as through restated herein.

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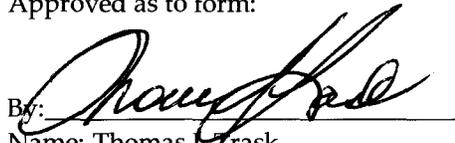
SECTION 20. Effective Date. This Resolution shall take effect immediately upon its adoption.

Passed and adopted by the City Commission of the City of Dunedin, Florida this 20th day of November, 2014.

CITY OF DUNEDIN, FLORIDA

By:   
Name: Julie Ward Bujalski  
Title: Mayor

Approved as to form:

By:   
Name: Thomas J. Trask  
Title: City Attorney

Attest:

By:   
Name: Denise Kirkpatrick, CMC  
Title: City Clerk



Loss of BQ Status. The Owner shall provide the Issuer with a written statement explaining the calculation of the Adjusted BQ Rate, which statement shall, in the absence of manifest error, be conclusive and binding on the Issuer.

"Default Rate" shall mean a rate per annum equal to the Prime Rate plus 4%.

"Determination of Taxability" means a final decree or judgment of any Federal court or a final action of the Internal Revenue Service or of the United States Treasury Department determining that interest payable on this Bond is includable in the gross income of the Owner for Federal income tax purposes, but only if caused by action or inaction by the Issuer. No such decree, judgment, or action will be considered final for this purpose unless the Issuer has been given written notice thereof and, if it is so desired by the Issuer and is legally permissible, the Issuer has been afforded the opportunity to contest the same, at its own expense, either directly or in the name of the Owner, and until the conclusion of any appellate review, if sought.

"Event of Default" shall mean an Event of Default under the hereinafter defined Resolution.

"Loss of BQ Status" shall mean a determination by the Owner that this Bond is not a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code (or any successor provision).

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

"Taxable Period" shall mean the period of time commencing on the date that interest on this Bond ceased to be excludable from gross income of the Owner for federal income tax purposes and ending on the earlier of the date this Bond ceases to be Outstanding or the date an adjustment to the Taxable Rate is no longer applicable to this Bond.

"Taxable Rate" shall mean, upon a Determination of Taxability, the interest rate per annum that shall provide the Owner with the same after tax yield that the Owner would have otherwise received had the Determination of Taxability not occurred, taking into account the increased taxable income of the

Owner as a result of such Determination of Taxability. The Owner shall provide the Issuer with a written statement explaining the calculation of the Taxable Rate, which statement shall, in the absence of manifest error, be conclusive and binding on the Issuer.

In the event of a Determination of Taxability, the Interest Rate payable hereunder shall be subject to adjustment to the Taxable Rate, effective retroactively to the date on which such Determination of Taxability was made. In addition, upon a Determination of Taxability, the Issuer agrees to pay to the Owner subject to such Determination of Taxability the Additional Amount upon demand. "Additional Amount" means (i) the difference between (a) interest on this Bond for the Taxable Period at a rate per annum equal to the Taxable Rate, and (b) the aggregate amount of interest paid on this Bond for the Taxable Period under the provisions of this Bond without considering the Determination of Taxability, plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Owner as a result of the Determination of Taxability.

So long as no Determination of Taxability or Event of Default shall have occurred, upon the occurrence of a Loss of BQ Status and for as long as this Bond remains Outstanding, the Interest Rate on this Bond shall be converted to the Adjusted BQ Rate. In addition, upon a Loss of BQ Status, the Issuer shall pay to the Owner (i) an additional amount equal to the difference between (A) the amount of interest actually paid on this Bond during the period of time from the date of issuance of this Bond and the next succeeding interest payment date, and (B) the amount of interest that would have been paid during the period in clause (A) had this Bond borne interest at the Adjusted BQ Rate, and (ii) an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Owner as a result of the Loss of BQ Status.

The Issuer shall pay interest upon the unpaid principal balance of this Bond at the Interest Rate, subject to adjustment as provided herein. Upon a Determination of Taxability, the Interest Rate shall be the Taxable Rate as hereinafter provided, upon a Loss of BQ Status, the Interest Rate shall be the Adjusted BQ Rate, and/or upon and during the continuance of an Event of Default (notwithstanding that a Determination of Taxability or a Loss of BQ Status has also occurred) the Interest Rate shall be the Default Rate. It is possible that more than one adjustment described above may be in effect concurrently.

This Bond is being issued for the purpose of refunding the Issuer's Sales Tax Revenue Bonds, Series 2005, under the authority of and in full compliance with the Constitution and laws of the State of Florida, Chapter 166, Part II,

Florida Statutes, Chapter 218, Part VI, Florida Statutes, the Charter of the Issuer, and other applicable provisions of law (collectively, the "Act"), and the Resolution, and is subject to the terms and conditions of the Resolution.

This Bond and the interest thereon are payable solely from and secured by a lien upon and a pledge of (1) the Sales Tax Revenues, 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, with the exception of the Rebate Fund; provided, however, that proceeds deposited in the Construction Fund in connection with the issuance of a particular Series of Bonds shall only secure such Series (collectively, the "Pledged Funds").

IT IS EXPRESSLY AGREED BY THE OWNER 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, PREMIUM, IF ANY, AND INTEREST ON THIS BOND AND THAT SUCH OWNER 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, OR 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 SOURCES DESCRIBED ABOVE.

This Bond shall be subject to optional redemption in whole or in part prior to its maturity date, upon two Business Days prior written notice, on any Business Day, at a redemption price equal to the principal amount being redeemed together with interest accrued to the date of redemption plus the Prepayment Fee, as defined below. Prepayments of principal shall be applied against the scheduled payments of principal hereunder in the inverse order of their due dates.

"Prepayment Fee" shall mean, a fee equal to the greater of (i) 1.00% of the principal balance being prepaid multiplied by the remaining term in years of this Bond, and (ii) the Yield Maintenance Fee. In calculating the remaining term, any fraction of a year shall be rounded up to the next whole number.

The "Yield Maintenance Fee" shall be computed as follows: the current cost of funds, specifically the bond equivalent yield for United States Treasury securities (bills on a discounted basis shall be converted to a bond equivalent yield) with a maturity date closest to the remaining term of this Bond, shall be

subtracted from the Interest Rate, as adjusted pursuant to the terms hereof. If the result is zero or a negative number, there shall be no Yield Maintenance Fee due and payable. If the result is a positive number, then the resulting percentage shall be multiplied by the scheduled outstanding principal balance for each remaining monthly period of the remaining term of this Bond. Each resulting amount shall be divided by 360 and multiplied by the number of days in the monthly period. Said amounts shall be reduced to present values calculated by using the above referenced current costs of funds divided by 12. The resulting sum of present values shall be the Yield Maintenance Fee.

This Series 2014 Bond is subject to mandatory redemption from Amortization Installments in part prior to maturity at a redemption price equal to 100% of the principal amount thereof, plus accrued interest to the redemption date beginning on October 1, 2015, and on each October 1 thereafter in the following principal amounts in the years specified.

<u>Date (October 1)</u>	<u>Principal Payment</u>
2015	\$
2016	
2017	
2018	
2019	
2020	
2021	
2022	
2023	
2024	
2025	

All payments by the Issuer pursuant to this Bond shall apply first to accrued interest, then to other charges due the Owner, and the balance thereof shall apply to the principal sum due.

Notwithstanding anything to the contrary contained in the Resolution, the Owner hereof shall not be required to present this Bond for payment, and all payments hereon shall be made on the due date via wire transfer to such address as is provided to the Issuer by the Owner hereof, or in such other manner as is agreed upon by the Issuer and the Owner.

This Bond may be exchanged or transferred by the Owner hereof but only upon the registration books maintained by the Registrar and in the manner provided in the Resolution; provided, however, this Bond may not be transferred in a denomination less than \$100,000 under any circumstances.

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

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 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 of Dunedin, Florida, has issued this Bond and has caused the same to be signed by the Mayor and countersigned and attested to by the City Clerk and its seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, all as of the dated first written above.

CITY OF DUNEDIN  
FLORIDA

(SEAL)

By: \_\_\_\_\_  
Name: Julie Ward Bujalski  
Title: Mayor

ATTESTED AND COUNTERSIGNED:

By: \_\_\_\_\_  
Name: Denise Kirkpatrick, CMC  
Title: City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION:

\_\_\_\_\_

CITY OF DUNEDIN,  
FLORIDA  
Registrar

By: \_\_\_\_\_  
City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers  
unto

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Insert Name, Address, Social Security or Other Identifying Number 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 a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name of the Owner 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 Transfer to Minors Act of \_\_\_\_\_  
(State)

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

**EXHIBIT B**

**FORM OF PURCHASER'S CERTIFICATE**

This is to certify that T.D. Bank, N.A. (the "Purchaser") has not required the City of Dunedin, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance of the \$\_\_\_\_\_ City of Dunedin, Florida Sales Tax Refunding Revenue Bond, Series 2015 (the "Bond"), and no inference should be drawn that the Purchaser, in the acceptance of the Bond, is relying on Bond Counsel or the City Attorney as to any such matters other than the legal opinions rendered by Bond Counsel and by the City Attorney. Any capitalized undefined terms used herein not otherwise defined shall have the meaning set forth in Resolution No. 14-37 adopted by the City Commission of the Issuer on November 20, 2014, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. 14-38 adopted by the City Commission of the Issuer on November 20, 2014 (collectively, the "Resolution").

We are aware that investment in the Bond involves various risks, that the Bond is not a general obligation of the Issuer or payable from ad valorem tax revenues, and that the payment of the Bond is secured solely from the sources described in the Resolution (the "Bond Security").

We have made such independent investigation of the Bond Security as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances. In making our investment decision, we have relied upon the accuracy of information which has been provided to us by the Issuer.

We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Bond and can bear the economic risk of our investment in the Bond.

We acknowledge and understand that, based on the opinion of Bond Counsel, the Resolution is not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the Issuer, Bond Counsel nor the City Attorney shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary, and are purchasing the Bond as an investment for our own account and not with a present view to a resale or other distribution to the public. We understand that the Bond may not be transferred in a denomination less than \$100,000 in any circumstances.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Bond for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

We are an "accredited investor" within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this \_\_\_\_ of \_\_\_\_\_, 20\_\_.

T.D. BANK, N.A.

By: \_\_\_\_\_  
Name: Kyle P. Keith  
Title: Vice President

**EXHIBIT C**

**FORM OF DISCLOSURE LETTER**

The undersigned, as purchaser, proposes to negotiate with the City of Dunedin, Florida (the "Issuer") for the private purchase of its City of Dunedin, Florida Sales Tax Refunding Revenue Bond, Series 2015 (the "Bond") in the principal amount of \$\_\_\_\_\_. Prior to the award of the Bond, the following information is hereby furnished to the Issuer:

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

Holland & Knight LLP  
Purchaser Counsel Fees -- \$5,000

2. (a) No other fee, bonus or other compensation is estimated to be paid by the Purchaser in connection with the issuance of the Bond to any person not regularly employed or retained by the Purchaser (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes), except as specifically enumerated as expenses to be incurred by the Purchaser, as set forth in paragraph (1) above.

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

3. The amount of the underwriting spread expected to be realized by the Purchaser is \$0.

4. The management fee to be charged by the Purchaser is \$0.

5. Truth-in-Bonding Statement:

The Bond is being issued primarily to advance refund all of the Issuer's Sales Tax Revenue Bonds, Series 2005 and to pay costs related thereto.

Unless earlier redeemed, the Bond is expected to be repaid by October 1, 2025. At an interest rate of \_\_\_\_\_%, total interest paid over the life of the Bond is estimated to be \$\_\_\_\_\_.

The Bond will be payable solely from Pledged Funds sufficient to make such payments, appropriated and deposited as described in Resolution No. 14-37 adopted by the City Commission of the Issuer on November 20, 2014, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. 14-38 adopted by the City Commission of the Issuer on November 20, 2014 (collectively, the "Resolution"). See the Resolution for a definition of Pledged Funds. Based on the above assumptions, issuance of the Bond is estimated to result in an annual average of approximately \$\_\_\_\_\_ of Pledged Funds of the Issuer not being available to finance the services of the Issuer during the life of the Bond. This paragraph is provided pursuant to Section 218.385, Florida Statutes.

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

T.D. Bank, N.A.  
2307 W. Kennedy Boulevard  
Tampa, Florida 33609

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Statement on behalf of the Purchaser this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

T.D. BANK, N.A.

By: \_\_\_\_\_  
Name: Kyle P. Keith  
Title: Vice President

**EXHIBIT D**

**FORM OF ESCROW DEPOSIT AGREEMENT**

**ESCROW DEPOSIT AGREEMENT**

THIS ESCROW DEPOSIT AGREEMENT, dated as of \_\_\_\_\_, 2015, by and between the CITY OF DUNEDIN, FLORIDA (the "Issuer"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized under the laws of the United States of America, as Escrow Agent, and its successors and assigns (the "Escrow Agent");

WITNESSETH:

WHEREAS, the Issuer previously issued its Sales Tax Revenue Bonds, Series 2005 (the "2005 Bonds"); and

WHEREAS, the Issuer now desires to advance refund all of the outstanding 2005 Bonds (the "Refunded Bonds"); and

WHEREAS, the execution of this Escrow Deposit Agreement and full performance of the provisions hereof shall defease and discharge the Issuer's obligations relating to the Refunded Bonds;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Issuer and the Escrow Agent agree as follows:

SECTION 1. Definitions. As used herein, the following terms mean:

- (a) "Agreement" means this Escrow Deposit Agreement.
- (b) "Bond" means the \$\_\_\_\_\_ City of Dunedin, Florida, Sales Tax Refunding Revenue Bond, Series 2015, issued under the Bond Resolution.
- (c) "Bond Counsel" means Bryant Miller Olive P.A., or any other law firm nationally-recognized in the area of public finance.
- (d) "Bond Resolution" shall mean Resolution No. 14-37 adopted by the City Commission of the Issuer on November 20, 2014, as amended and supplemented from time to time, as particularly supplemented by Resolution No. 14-38 adopted by the City Commission of the Issuer on November 20, 2014.
- (e) "Defeasance Securities" shall have the same meaning ascribed thereto in the Bond Resolution.

(f) "Escrow Account" means the account hereby created and entitled Escrow Account established and held by the Escrow Agent pursuant to this Agreement in which cash and investments will be held for payment of the principal, interest, and redemption premium, if any, on the Refunded Bonds.

(g) "Issuer" means the City of Dunedin, Florida, and its successors and assigns.

(h) "Refunded Bond Resolution" means Resolution No. 05-21 adopted by the City Commission of the Issuer on July 7, 2005.

(i) "Refunded Bonds" has the meaning ascribed above.

(j) "Total Debt Service for the Refunded Bonds" means the sum of the principal of, redemption premium, if any, and interest remaining unpaid with respect to the Refunded Bonds in accordance with Schedule A attached hereto assuming the callable Refunded Bonds are called for early redemption on October 1, 2015.

SECTION 2. Deposit of Funds. The Issuer hereby deposits \$\_\_\_\_\_ with the Escrow Agent for deposit into the Escrow Account, in immediately available funds, which funds the Escrow Agent acknowledges receipt of, to be held in irrevocable escrow by the Escrow Agent separate and apart from other funds of the Escrow Agent and applied solely as provided in this Agreement. An amount equal to \$\_\_\_\_\_ of such funds are being derived from proceeds of the Bond. An amount equal to \$\_\_\_\_\_ of such funds are being derived from the Debt Service Fund (as that term is defined in the Refunded Bond Resolution). The Issuer represents that the Defeasance Securities, the interest to be earned thereon, and the cash deposited to the Escrow Account (i) are at least equal to the Total Debt Service for the Refunded Bonds as of the date of such deposit, and (ii) are sufficient to pay principal, interest and redemption premium on the Refunded Bonds as they become due and payable in accordance with Schedule A attached hereto.

SECTION 3. Use and Investment of Funds. The Escrow Agent acknowledges receipt of the sum described in Section 2 and agrees:

(a) to hold the funds and investments purchased pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Refunded Bonds;

(b) to immediately invest \$\_\_\_\_\_ of such funds derived from the proceeds of the Bond and other legally available funds of the Issuer in the Defeasance Securities set forth on Schedule C-1 attached hereto and to hold such securities and \$\_\_\_\_\_ of such funds in cash in accordance with the terms of this Agreement;

(c) in the event the securities described on Schedule C cannot be purchased, substitute securities may be purchased with the consent of the Issuer but only upon receipt of verification from an independent certified public accountant that the Defeasance Securities, the interest to be earned thereon, and the cash deposited in the Escrow Account will not be less than the Total Debt Service for the Refunded Bonds, and only upon receipt of an opinion of Bond Counsel that such securities constitute Defeasance Securities for purposes of this Agreement; and

(d) there will be no investment or reinvestment of funds except as set forth in this Section 3 and except as set forth in Section 5.

#### SECTION 4. Payment of Bonds and Expenses.

(a) Refunded Bonds. On the dates and in the amounts set forth on Schedule A, the Escrow Agent shall transfer to The Bank of New York Mellon Trust Company, N.A., the Paying Agent for the Refunded Bonds (the "Paying Agent"), in immediately available funds solely from amounts available in the Escrow Account, a sum sufficient to pay the principal of, interest on and redemption premium, if applicable, on the Refunded Bonds, as shown on Schedule A.

(b) Expenses. The Issuer shall pay the fees and expenses of the Escrow Agent as set forth on Schedule B attached hereto.

(c) Surplus. After making the payments from the Escrow Account described in Subsections 4(a) and (b) above, the Escrow Agent shall retain in the Escrow Account any remaining cash in the Escrow Account in excess of the Total Debt Service for the Refunded Bonds until the termination of this Agreement pursuant to the terms of Section 13 hereof, and shall then pay any remaining funds to the Issuer.

(d) Priority of Payments. The holders of the Refunded Bonds shall have an express first priority security interest in the funds and Defeasance Securities in the Escrow Account until such funds and Defeasance Securities are used and applied as provided in this Agreement.

SECTION 5. Reinvestment.

(a) Except as provided in Section 3 and in this Section 5, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Defeasance Securities held hereunder.

(b) At the written request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the Defeasance Securities acquired hereunder and shall substitute other Defeasance Securities and reinvest any excess receipts in Defeasance Securities. The Issuer will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Bond to be included in the gross income of the holders thereof for purposes of Federal income taxation. The transactions may be effected only if (i) an independent certified public accountant selected by the Issuer shall certify or opine in writing to the Issuer and the Escrow Agent that Defeasance Securities, interest to be earned thereon, and cash remaining on hand after the transactions are completed will, assuming no reinvestment or any earnings, be not less than the Total Debt Service for the Refunded Bonds, and that reinvestment in such Defeasance Securities will not postpone the anticipated transfer of moneys from the Escrow Account to the Paying Agent pursuant to Section 4(a) hereof, and (ii) the Escrow Agent shall receive an opinion from a nationally recognized bond counsel acceptable to the Issuer to the effect that the transactions, in and by themselves, will not cause interest on such Bond or the Refunded Bonds to be included in the gross income of the holders thereof for purposes of Federal income taxation and such substitution is in compliance with this Agreement. Subsection 4(c) above notwithstanding, cash in excess of the Total Debt Service for the Refunded Bonds caused by substitution of Defeasance Securities shall, as soon as practical, be paid to the Issuer. Notwithstanding any provision of this Agreement to the contrary, no forward purchase agreement relating to the future reinvestment of cash held hereunder shall be executed unless the following condition is met: to the extent either Moody's Investors Service, Inc., Fitch Ratings, and/or Standard & Poor's Ratings Services have an outstanding rating on the Refunded Bonds, at least one of such rating agencies must give written confirmation that it will not lower or withdraw the rating as a result of the Issuer's execution of such forward purchase agreement. In the event of any inconsistency between the terms and conditions of such forward purchase agreement and this Agreement, the terms and conditions of this Agreement shall control.

SECTION 6. Redemption or Acceleration of Maturity. The Issuer will not accelerate the maturity of, or exercise any option to redeem before maturity, any Refunded Bonds, except as set forth on Schedule A attached hereto.

SECTION 7. Indemnity. To the extent permitted by law and without waiving sovereign immunity, the Issuer hereby assumes liability for, and hereby agrees to indemnify, protect, save and keep harmless, the Escrow Agent and its respective successors, assigns, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against at any time, the Escrow Agent (whether or not also indemnified against the same by the Issuer or any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account established hereunder, the acceptance of the funds and securities deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof and any payment, transfer or other application of funds or securities by the Escrow Agent in accordance with the provisions of this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Agent against its own negligence or willful misconduct. In no event shall the Issuer be liable to any person by reason of the transactions contemplated hereby other than to the Escrow Agent as set forth in this Section. The indemnities contained in this Section shall survive the termination of this Agreement. The Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Total Debt Service for the Refunded Bonds. Furthermore, the Escrow Agent shall not be liable for the accuracy of the calculation as to the sufficiency of moneys and the principal amount of Defeasance Securities and the earnings thereon to pay the Total Debt Service for the Refunded Bonds.

SECTION 8. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance of the funds deposited therein, the purchase of the Defeasance Securities, the retention of the Defeasance Securities or the proceeds thereof or for any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent or non-willful act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be responsible for its negligent or willful failure to comply with its

duties required hereunder, and its negligent or willful acts, omissions or errors hereunder. The duties and obligations of the Escrow Agent may be determined by the express provisions of this Agreement. The Escrow Agent may consult with counsel, who may or may not be counsel to the Issuer, at the Issuer's expense, and in reliance upon the opinion of such counsel, shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer.

SECTION 9. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer, any rating agency then providing a rating on either the Refunded Bonds or the Bond, and the Paying Agent for the Refunded Bonds not less than sixty (60) days before such resignation shall take effect. Such resignation shall not take effect until the appointment of a new Escrow Agent hereunder.

SECTION 10. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than fifty-one percentum (51%) in aggregate principal amount of the Refunded Bonds then outstanding, such instruments to be filed with the Issuer, and notice in writing given by such holders to the original purchaser or purchasers of the Bond and published by the Issuer once in a newspaper of general circulation in the territorial limits of the Issuer, and in a daily newspaper or financial journal of general circulation in the City of New York, New York, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent by any court of competent jurisdiction upon the application of the Issuer or the holders of not less than five percentum (5%) in aggregate principal amount of the Bond then outstanding, or

the holders of not less than five percentum (5%) in aggregate principal amount of the Refunded Bonds then outstanding.

(c) The Escrow Agent may not be removed until a successor Escrow Agent has been appointed in the manner set forth herein.

SECTION 11. Successor Escrow Agent.

(a) If, at any time hereafter, the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall immediately appoint an Escrow Agent to fill such vacancy and, upon such appointment, all assets held hereunder shall be transferred to such successor. The Issuer shall either (i) publish notice of any such appointment made by it once in each week for four (4) successive weeks in a newspaper of general circulation published in the territorial limits of the Issuer and in a daily newspaper or financial journal of general circulation in the City of New York, New York, or (ii) mail a notice of any such appointment made by it to the holders of the Refunded Bonds within thirty (30) days after such appointment.

(b) At any time within one year after such vacancy shall have occurred, the holders of a majority in principal amount of the Bond then outstanding or a majority in principal amount of the Refunded Bonds then outstanding, by an instrument or concurrent instruments in writing, executed by either group of such Bondholders and filed with the governing body of the Issuer, may appoint a successor Escrow Agent, which shall supersede any Escrow Agent theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Agent and to the Escrow Agent so appointed by the Bondholder. In the case of conflicting appointments made by the Bondholder under this paragraph, the first effective appointment made during the one year period shall govern.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section, the holder of any Refunded Bonds then outstanding, or any retiring Escrow Agent, may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

(d) Any corporation or association into which the Escrow Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Escrow Agent hereunder and vested with all the trust, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any parties hereto, anything herein to the contrary notwithstanding, provided such successor shall have reported total capital and surplus in excess of \$15,000,000, provided that such successor Escrow Agent assumes in writing all the trust, duties and responsibilities of the Escrow Agent hereunder.

SECTION 12. Payment to Escrow Agent. The Escrow Agent hereby acknowledges that it has agreed to accept compensation under the Agreement pursuant to the terms of Schedule B attached hereto for services to be performed by the Escrow Agent pursuant to this Agreement. The Escrow Agent shall not be compensated from amounts on deposit in the Escrow Account, and the Escrow Agent shall have no lien or claim against funds in the Escrow Account for payment of obligations due it under this Section.

SECTION 13. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Bonds have been paid and discharged in accordance with the proceedings authorizing the Refunded Bonds, except as provided in Section 8.

SECTION 14. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, notice of such event shall be sent to the municipal bond insurer(s) for the Refunded Bonds, if any, as well as Moody's Investors Service, Inc., Fitch Ratings and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds), and while such covenant or agreements herein contained shall be null and void, they shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 15. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds and the Bond and it shall not be repealed, revoked, altered or amended in whole or in part without the written consent of all holders of Refunded Bonds,

the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Agreement;

(b) to grant to, or confer upon, the Escrow Agent, for the benefit of the holders of the Bond and the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and

(c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall, at its option, be entitled to request, at the Issuer's expense, and rely exclusively upon an opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to the Issuer with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section. Prior written notice of such amendments, together with proposed copies of such amendments, shall be provided to Moody's Investors Service, Inc., Fitch Ratings, and Standard & Poor's Ratings Services (but only to the extent such agencies have a rating outstanding on any of the Refunded Bonds).

SECTION 16. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 17. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Florida.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

CITY OF DUNEDIN, FLORIDA

(SEAL)

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

Name: Julie Ward Bujalski

Title: Mayor

ATTESTED AND COUNTERSIGNED:

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

Name: Denise Kirkpatrick, CMC

Title: City Clerk

[Signature page to Escrow Deposit Agreement between  
City of Dunedin, Florida and The Bank of New York Mellon Trust Company,  
N.A.]

THE BANK OF NEW YORK  
MELLON TRUST  
COMPANY, N.A., as Escrow  
Agent

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

Name:

Title:

[Signature page to Escrow Deposit Agreement between  
City of Dunedin, Florida and The Bank of New York Mellon Trust Company,  
N.A.]

SCHEDULE A

TOTAL DEBT SERVICE  
FOR THE REFUNDED BONDS

<u>Date</u>	<u>Principal</u>	<u>Principal Redeemed</u>	<u>Interest</u>	<u>Total Debt Service</u>
April 1, 2015				
October 1, 2015				

SCHEDULE B

EXPENSES TO BE PAID TO ESCROW AGENT

Upfront fee of \$\_\_\_\_, plus out of pocket expenses

SCHEDULE C

SCHEDULE OF DEFEASANCE SECURITIES  
TO BE PURCHASED ON \_\_\_\_\_, 2015

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Type</u>
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**EXHIBIT E**

**FORM OF RATE LOCK AGREEMENT**



**Bank**

America's Most Convenient Bank®

November 4, 2014

City of Dunedin, Florida  
750 Milwaukee Avenue  
Dunedin, Florida 34698

**RE: Interest Rate Lock Agreement**

Ladies and Gentlemen:

In connection with a request for business purpose financing, the City of Dunedin, Florida (the "Proposed Borrower") has requested that TD Bank, N.A. (the "Bank") fix an interest rate to be applicable to a proposed tax-exempt loan for the Proposed Borrower's Sales Tax Revenue Loan (the "Proposed Loan") in accordance with that certain Terms and Conditions of Credit Accommodation dated October 31, 2014 and accepted by the Proposed Borrower, a true copy of which is attached hereto as Exhibit A (the "Term Sheet"), subject to (i) Proposed Borrower's satisfaction of all of the conditions of the Term Sheet and (ii) actual funding of the Proposed Loan, in each case, on or before the Interest Rate Agreement Disbursement Date, as described in the Schedule attached hereto (the "Schedule"); provided that the Proposed Borrower shall have the right to terminate this Interest Rate Lock Agreement prior to the Interest Rate Disbursement Date by delivering written notice of termination to the Bank (a "Termination Notice") together with payment in full to the Bank of any Interest Rate Differential Fee due and payable under this Interest Rate Lock Agreement calculated as of the date of delivery of the Termination Notice.

The Bank is pleased to offer the Proposed Borrower this agreement to provide a fixed interest rate subject to the terms and conditions set forth herein and outlined in the Schedule, the terms of which are incorporated herein (this "Interest Rate Lock Agreement").

This Interest Rate Lock Agreement shall become effective upon the Bank's receipt of an executed counterpart of this Interest Rate Lock Agreement (the date upon which such condition is satisfied being the "Effective Date"), and is subject to the further condition that there shall not occur at any time after the date hereof up through and including the Effective Date, any increase of more than 0.05% in the yield of United States Treasury securities, adjusted to a constant maturity equal to the Interest Rate Term as described in the Schedule ("Ordinary Rate Volatility"). This offer to enter into this Interest Rate Lock Agreement shall terminate in the event that the yield on U.S. Treasury securities, as so adjusted, exceeds Ordinary Rate Volatility prior to the execution and delivery to the Bank of a counterpart hereof. Upon and after receipt by the Bank of the executed counterpart hereof, the Ordinary Rate Volatility condition described herein shall cease to apply.

Except as expressly provided herein, this Interest Rate Lock Agreement does not supersede, amend, or in any way supplant the Term Sheet or any definitive loan documentation that may govern the Proposed Loan. This Interest Rate Lock Agreement is not to be deemed, by itself as a commitment to lend, or to be an amendment of any of the conditions or other terms of the Proposed Loan or any other proposed financing which the Bank

requires the Proposed Borrower to meet in connection with the Proposed Loan or any other credit facilities. This Interest Rate Lock Agreement is intended only to establish the Interest Rate to be charged on the Proposed Loan in the event that (i) the Proposed Borrower satisfies all conditions set forth in Term Sheet, (ii) the Bank and the Proposed Borrower execute definitive loan documentation satisfactory to the Bank, and (iii) the Proposed Loan is actually funded on or before the Interest Rate Agreement Disbursement Date, all in accordance with the terms acceptable to the Bank.

Proposed Borrower agrees to act and negotiate in good faith to consummate the closing of the Proposed Loan prior to the expiration of the Interest Rate Agreement Disbursement Date, including, without limitation, (a) satisfying all of the terms and conditions of the Term Sheet, (b) providing to the Bank, promptly upon request therefore, all materials reasonably requested by Bank and (c) executing final loan documents and other agreements satisfactory to the Bank.

If the Proposed Borrower delivers a Termination Notice to the Bank prior to the Interest Rate Agreement Disbursement Date or the actual funding of the Proposed Loan in the principal amount of \$6,380,000 at the Fixed Interest Rate (as described in the Schedule) does not occur on or before the Interest Rate Agreement Disbursement Date, the Proposed Borrower shall pay the Bank on demand an amount equal to the Interest Rate Differential Fee calculated as set forth in the Schedule.

This Interest Rate Lock Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute but one agreement. Delivery of an executed counterpart of this Interest Rate Lock Agreement by fax or email shall be equally as effective as delivery of an original executed counterpart of this Interest Rate Lock Agreement. This Interest Rate Lock Agreement and the Term Sheet constitute the entire agreement and understanding between and among the parties hereto relating to the subject matter hereof, and supersede all prior proposals, negotiations, agreements and understandings among the parties hereto with respect to such subject matter. This Interest Rate Lock Agreement shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, legal representatives, successors and assigns of the parties hereto, and shall remain in full force and effect (and the Bank shall be entitled to rely thereon) unless terminated in accordance with the provisions hereof. The Bank may transfer and assign this Interest Rate Lock Agreement and deliver it to the assignee, who shall thereupon have all of the rights of the Bank; and the Bank shall then be relieved and discharged of any responsibility or liability with respect to this Interest Rate Lock Agreement. The Proposed Borrower may not assign or transfer any of its rights or obligations under this Interest Rate Lock Agreement. This Interest Rate Lock Agreement may not be amended without the express written consent of the parties.

We ask that if you wish to accept this Interest Rate Lock Agreement, please do so by signing and returning the attached duplicate copy of this letter, to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before \_\_\_\_\_, 2014.

**TO: TD BANK, N.A.:**

The City of Dunedin, Florida hereby accepts the terms as indicated above this \_\_\_\_ day of November 2014.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Signing Officer Name & Position

\_\_\_\_\_  
Print Signing Officer Name & Position

**SCHEDULE TO INTEREST RATE LOCK AGREEMENT**

FIXED INTEREST RATE:	TBD%	
INTEREST RATE AGREEMENT DISBURSEMENT DATE:	January ____, 2015, or such later date as the Bank in its sole discretion, may designate in writing.	
FIXED RATE TERM:	A term commencing on the initial disbursement of the Proposed Loan and ending on October 1, 2025.	
INTEREST RATE LOCK AGREEMENT TERM:	This Interest Rate Lock Agreement shall terminate on the earliest of (i) the Interest Rate Agreement Disbursement Date, (ii) the occurrence of a Breakage Event (as defined below), (iii) the closing and funding of the Proposed Loan (at the Fixed Interest Rate), or (iv) the Proposed Borrower's delivery of a Termination Notice pursuant to the terms of the Interest Rate Lock Agreement, together with any Interest Rate Differential Fee (as defined below) payable hereunder calculated as of the date of delivery of the Termination Notice to the Bank.	
BREAKAGE FEE:	In the event that a Breakage Event occurs, the Proposed Borrower shall pay to the Bank the Interest Rate Differential Fee calculated as provided herein, which fee shall be due and payable by the Borrower upon demand in the amount calculated herein upon receipt of the Settlement Statement (as defined below). The Proposed Borrower acknowledges that the Bank may incur fees and other costs in the event that the Proposed Loan does not close and agrees that the Breakage Fee is a reasonable and appropriate method of calculating liquidated damages associated with any Breakage Event. Proposed Borrower understands and agrees that the Bank is under no obligation to give, and will not give, Proposed Borrower the benefit of any decline in interest rates subsequent to the Bank's locking of the interest rate hereunder.	
	<b>BREAKAGE EVENT:</b>	If for any reason other than delivery of a Termination Notice the Proposed Loan is not disbursed on or before the Interest Rate Agreement Disbursement Date (the "Breakage Event").
	<b>INTEREST RATE DIFFERENTIAL FEE:</b>	The <b>Interest Rate Differential Fee</b> , if payable, is computed as follows: The current cost of funds, specifically the 10 year Interest Rate Swap published on the Federal Reserve H15 Selected Interest Rates effective at 4:15pm two days prior to the Breakage Date, shall be subtracted from the 10 year Interest Rate Swap published on the Federal Reserve H15 Selected Interest Rates effective at 4:15pm on the day that the forward rate lock was fixed. If the result is zero or a negative number, there shall be no Break Funding Fee due and payable. If the result is a positive number, then the resulting percentage shall be multiplied by the scheduled outstanding principal balance, for each remaining quarterly period. Each resulting amount shall be divided by 360 and multiplied by the number of days in the monthly period. Said amounts shall be reduced to present values calculated by using the above reference current costs of funds divided by twelve (12). The resulting sum of present values shall be the Break Funding Fee due to the Bank on the Breakage Date.
	<b>INTEREST RATE TERM:</b>	For the purposes of the Interest Rate Differential Fee calculation, the Interest Rate Term shall be defined as 19.3 years.
	<b>SETTLEMENT</b>	Following the occurrence of a Breakage Event or the giving of a Termination Notice, the Bank shall promptly issue to the Proposed Borrower a written notice to the Proposed Borrower of the occurrence

Interest Rate Lock Agreement

Page 4 of 4

November 4, 2014

		of such Breakage Event and setting forth the Interest Rate Differential Fee payable by the Proposed Borrower to the Bank. A settlement statement giving the Breakage Event and the Breakage Fee (the "Settlement Statement") and the Bank's calculation of the Interest Rate Differential Fee set forth therein shall be conclusive evidence of the amount of such fee absent manifest error.
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**Bank**

**America's Most Convenient Bank®**

KYLE P. KEITH  
2307 W KENNEDY BLVD  
TAMPA, FL 33609

(813) 250-3069  
(813) 250-3011 (FAX)

October 31, 2014

Mr. Charles H. Ankney, CPPO  
City of Dunedin  
Municipal Services Building  
Purchasing Section  
750 Milwaukee Ave.  
Dunedin, FL 34698

RE: RFP 15-037  
Potential 2015 Refunding of Sales Tax Revenue Bonds, Series 2005

Dear Mr. Ankney:

You have provided us with certain information and have discussed with us the current and future needs for the financing of the City of Dunedin, FL (the "Company"). In connection therewith, we are pleased to submit our proposal to provide the credit accommodations (the "Credit Accommodations") described on the attached preliminary term sheet(s) for your consideration.

The structure of the proposed Credit Accommodation(s) is outlined in the attached term sheet(s) which provides a statement of suggested terms, but under no circumstance shall such statement be construed as a complete summarization of terms necessary for consummation of the proposed Credit Accommodation. PLEASE NOTE THIS PROPOSAL IS SUBJECT TO FORMAL CREDIT REVIEW AND UNDERWRITING IN ACCORDANCE WITH THE BANK'S INTERNAL POLICY AND NOTHING HEREIN SHALL CONSTITUTE A BINDING COMMITMENT TO LEND. Further, we expressly advise you that TD Bank, N.A. (the "Bank") has not approved the Credit Accommodations. The Bank shall not be liable to the Company or any other person for any losses, damages or consequential damages which may result from the Company's reliance upon this proposal letter or the proposed Credit Accommodations, the proposed term sheet(s) or any transaction contemplated hereby.

This letter, along with the proposed terms and conditions, are delivered to the Company for its confidential use and evaluation, and shall not be disclosed by the Company except (i) as may be required

to be disclosed in any legal proceeding or as may otherwise be required by law and (ii) on a confidential and "need to know" basis, to your directors, officers, employees, advisors and agents.

If this proposal meets your approval and you would like the Bank to proceed with its formal credit investigation, underwriting and approval process, please return a copy of this letter countersigned by you. We appreciate the opportunity to provide this proposal and look forward to working with you on successfully completing this transaction.

Very truly yours,

TD BANK, N.A.

By:   
\_\_\_\_\_  
Kyle P. Keith  
Senior Lender

ACCEPTED on this \_\_\_\_ day of \_\_\_\_\_, 2014:

*City of Dunedin, Florida*

By: \_\_\_\_\_  
*Signer's name, Title*

**TD BANK, N.A. ("BANK")**

**TERMS AND CONDITIONS OF CREDIT ACCOMMODATION DATED  
OCTOBER 31, 2014 ("LOAN")**

**THIS IS A STATEMENT OF TERMS AND CONDITIONS AND NOT A COMMITMENT TO LEND. ALL  
CREDIT ACCOMMODATIONS ARE SUBJECT TO FORMAL CREDIT UNDERWRITING AND  
APPROVAL.**

1. **Loan.**

- (a) **Borrower(s):** City of Dunedin, FL ("Borrower")
- (b) **Facility Amount:** Not to exceed \$6,380,000 ("Sales Tax Revenue, Series 2015")
- (c) **Facility Type:** Bank Qualified Tax-Exempt Loan
- (d) **Purpose:** Proceeds shall be used to advance refund the City's outstanding Sales Tax Revenue Bonds, Series 2005 and to finance the cost of issuance for the refunding.
- (e) **Maturity:** 10/1/2025
- (f) **Repayment Terms:** Semi-annual interest payments beginning April, 2015 through the proposed maturity date (using a 30/360 day count). Annual principal payments beginning October 1, 2015, as per the attached Exhibit A.
- (g) **Interest Rate:** (A) Indicative Bank Qualified Tax-Exempt Fixed Rate of 2.20% as of 10/21/2014. The actual interest rate shall be set three (3) days prior to closing based upon the following formula:

67% of 10-year Fed Reserve H.15 Interest Swap Rate + 63bps = 2.20% as of 10/21/2014.

The Bank will also make available the option to lock-in the above quoted loan rates for the Borrower for a period of 60 days, which is subject to the Borrower executing the Bank's Rate Lock Agreement.

A premium of 5 basis points will be added to the quoted rate in order to hold the stated rate for 60 days.

- (h) **Prepayment Privilege:** **Option A – "Closed":**  
Standard Bank Pre-Payment Language as per below:

At the time of any full or partial prepayment, a fee equal to the greater of (i) 1.00% of the principal balance being prepaid multiplied by the "Remaining Term", as hereinafter defined, in years or (ii) a "Yield Maintenance Fee" in an amount computed as follows:

The current cost of funds, specifically the bond equivalent yield for United States Treasury securities (bills on a discounted basis shall be converted to a bond equivalent yield) with a maturity date closest to the "Remaining Term", shall be subtracted from the Note rate, or default rate

if applicable. If the result is zero or a negative number, there shall be no Yield Maintenance Fee due and payable. If the result is a positive number, then the resulting percentage shall be multiplied by the scheduled outstanding principal balance for each remaining monthly period of the "Remaining Term". Each resulting amount shall be divided by 360 and multiplied by the number of days in the monthly period. Said amounts shall be reduced to present values calculated by using the above reference current costs of funds divided by 12. The resulting sum of present values shall be the Yield Maintenance Fee due to the Bank upon prepayment of the principal of the loan plus any accrued interest due as of the prepayment date.

"Remaining Term" as used herein shall mean the shorter of (i) the remaining term of this Note, or (ii) the remaining term of the then current fixed interest rate period.

**Option B – "Open":**

The Borrower can elect to have a "no prepayment penalty" provision associated with the full 11 year Term Loan by adding a premium of 23bps to the proposed fixed rate.

- (i) **Expected Closing:** On or before January 15, 2015
- (j) **Default Rate of Interest:** The "default rate of interest" shall be four (4) percentage points in excess of the prime rate of interest upon the occurrence of the event of default.

2. **Fees and Expenses.**

Bank Fee – waived.

The Borrowers shall be responsible for Bank Counsel Fees for the review of the loan documentation which will be prepared by Borrowers' Counsel. Bank Counsel will be Holland & Knight, whose fees shall not exceed \$5,000 for the review of loan documentation.

3. **Security.**

The Facility and other parity obligations shall be secured by a lien upon and pledge of (i) the local government half-cent sales tax and other moneys received by the City from the local government half-cent sales tax clearing trust fund (the "Half-Cent Sales Tax") pursuant to Chapter 218, Part VI, Florida Statutes and (ii) moneys on deposit in the funds and accounts established under the Resolutions and investment earnings thereon, but excluding moneys on deposit in the Rebate Fund (collectively, the "Pledged Funds").

4. **Legal Opinions.**

Prior to closing, there shall be delivered to the Bank an opinion of Bond Counsel acceptable to the Bank covering matters customary for a transaction of this type and nature and which shall, without limitation, opine that: (1) the Borrower is duly formed; (2) all loan documents have been validly authorized and executed by and on behalf of the the Borrower, if any; (3) Facility is Bank Qualified and tax-exempt; and (4) all loan documents are valid, binding, enforceable in accordance with their

terms and do not violate any legal requirements, including without limitation, organizational documents, laws and material agreements.

5. **Financial Reporting.**

The Borrower shall furnish the following financial reports:

<u>Type of Report(s)</u>	<u>Frequency</u>	<u>Due Date</u>
Financial Statements – Audited	Annually	210 days after end of Fiscal Year
Approved Budget	Annually	60 days after completion and approval

The Bank reserves the right to request additional financial information to supplement or verify certain financial assumptions or verify the creditworthiness of the Borrower.

6. **Financial Covenants.**

**Ad Bond Test:** As defined within the Resolution, the City may issue additional bonds, payable on a parity and equally secured by the Half-Cent Sales Tax ("Additional Parity Obligations") upon the following conditions:

- (i) The City's Finance Director shall certify at the time of the issuance of the Additional Parity Obligations that the City is not in default of any of the provisions, covenants and agreements contained in the Resolution, and that there is no deficiency in the Debt Service Fund.
- (ii) The City's Finance Director shall also certify at the time of the issuance of the Additional Parity Obligations that the Half-Cent Sales Tax of the City during the Fiscal Year immediately preceding the date of issuance of such Additional Parity Obligations for which the audited statements are available or for at least 12 consecutive months during the 24 months immediately preceding the date of issuance of such Additional Parity Obligations shall equal not less than 1.75 times the Maximum Bond Service Requirement on the Outstanding Bonds and the proposed Additional Parity Obligations during any Fiscal Year in which the Additional Parity Bonds to be issued will be outstanding.

7. **Other Conditions.**

- a. The implementation of certain terms, conditions, covenants or other non-material changes to the proposed Credit Accommodation required as part of the Bank's formal credit approval shall be deemed an approval in substantially the form outlined in this proposed Credit Accommodation.
- b. All legal matters and documentation to be executed in connection with the contemplated proposed Credit Accommodation shall be satisfactory in form and substance to the Bank and counsel to the Bank.
- c. The Bank shall not be required to enter into the proposed Credit Accommodation until the

completion of all due diligence inquiries, receipt of approvals from all requisite parties and the execution and receipt of all necessary documentation reasonably acceptable to the Bank and its counsel. The Bank complies with the US Patriot Act of 2001 (the "Act"), including, but not limited to; those sections relating to customer identification, monitoring and reporting of suspicious activities, and the prevention of money laundering. This Act mandates that we verify certain information about the borrower and any guarantor while processing the Credit Accommodation request. Furthermore, certain assumptions are made for this proposal which, if altered, could affect the overall credit approval and or the terms of the proposed Credit Accommodation.

- d. No material adverse change in the Borrower's financial condition prior to closing.
- e. The Facility shall be on parity and cross defaulted with other existing Borrower debt that is backed by the Pledged Revenues (as applicable).
- f. Loan documents shall include standard provisions with regards to tax status upon action or inactions of the City.
- g. The Borrowers obligations under the Master Trust Indenture, as well as certain Lender's rights agreed upon by the parties, shall apply to this transaction, including acceleration in the Event of Default.

**THIS PROPOSAL IS NOT AND SHOULD NOT BE CONSTRUED AS A COMMITMENT BY THE BANK OR ANY AFFILIATE TO ENTER INTO ANY CREDIT ACCOMMODATION.**

**EXHIBIT A  
AMORTIZATION SCHEDULE**

Date	Amount
10/1/2015	\$480,000
10/1/2016	\$495,000
10/1/2017	\$515,000
10/1/2018	\$535,000
10/1/2019	\$550,000
10/1/2020	\$575,000
10/1/2021	\$595,000
10/1/2022	\$620,000
10/1/2023	\$645,000
10/1/2024	\$670,000
10/1/2025	\$700,000

## **RESOLUTION 14-39**

**A RESOLUTION OF THE CITY OF DUNEDIN, FLORIDA, AUTHORIZING THE CITY MANAGER TO APPLY FOR FUNDS FROM THE UNIVERSAL SERVICE ADMINISTRATION COMPANY (USAC) UNDER THE OVERSIGHT OF THE FEDERAL COMMUNICATIONS COMMISSION (FCC) FOR THE PURPOSE OF APPLYING FOR E-RATE DISCOUNTS FOR PUBLIC INTERNET ACCESS AT THE LIBRARY; FINDING THAT A PUBLIC PURPOSE WILL BE SERVED BY APPLYING FOR SUCH FUNDS; PROVIDING FOR ACCEPTANCE OF SUCH GRANTS; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.**

**WHEREAS**, the City Manager has recommended to the City Commission that the City apply to the Universal Service Administration Company (USAC) for E-rate for the purpose of receiving discounts on the cost of internet access for the public at the Library; and

**WHEREAS**, the City Commission finds that applying for such grant funds and accomplishing the projects for which the grant funds are received serves a public purpose and will represent a benefit to the citizens of the City of Dunedin; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, FLORIDA, IN SESSION DULY ASSEMBLED:**

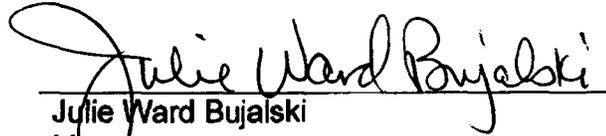
**Section 1.** That the City Manager is authorized to execute the application documents necessary to apply for funds from the Universal Service Administration Company (USAC) for the purpose of E-rate discounts for public internet access at the Library.

**Section 2.** That the City Commission of the City of Dunedin finds that a public purpose is served by applying for the aforesaid E-rate discounts and making the necessary expenditures and commitments to submit such applications.

**Section 3.** That the City Manager is hereby authorized to accept the funds if it is awarded on substantially the same terms and in the amount reflected in the application. In the event there is a material difference in the terms of the grant or in the amount of the grant awarded to the City, acceptance of the grant will be by motion of the City Commission.

**Section 4.** That this Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF DUNEDIN, Florida, this 18th day of December, 2014.**

  
Julie Ward Bujalski  
Mayor

· ATTEST:

  
Denise M. Kirkpatrick  
City Clerk