

RESOLUTION

of the
**ORANGE COUNTY
BOARD OF COUNTY COMMISSIONERS**

regarding
**COMMERCIAL PAPER NOTES
SERIES A PROJECT 6**

Resolution No. 98-M-18

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS IN AND FOR
ORANGE COUNTY, FLORIDA, THAT:

ARTICLE I

GENERAL PROVISIONS

SECTION 1.01. AUTHORITY FOR THIS RESOLUTION. This Supplemental Resolution is adopted pursuant to Section 2.07 and other provisions of Resolution No. 91-M-04 of the Board of County Commissioners (the "Board") of Orange County, Florida (the "County") on February 26, 1991; the Constitution of the State of Florida, Chapter 125, Part I, Florida Statutes; and other applicable provisions of law (collectively, the "Act").

SECTION 1.02. FINDINGS. It is hereby ascertained, determined, and declared as follows:

A. The County is duly created and existing as a political subdivision of the State of Florida and is duly empowered under the Act to undertake the Series A Project No. 6 herein authorized and to issue Notes as herein provided.

B. Resolution No. 91-M-04 of the Board was duly adopted on February 26, 1991 (the "Authorizing Resolution"), and authorized the establishment of the County's Commercial Paper Program to finance the cost of various capital projects on an interim basis through the issuance from time to time of the County's Commercial Paper Notes.

C. It is deemed necessary and desirable for the County to acquire, construct and equip the Series A Project No. 6 and to issue Series A Notes pursuant to the Authorizing Resolution in an amount not to exceed \$30,000,000 to finance all or a portion of the Cost thereof on an interim basis as provided in the Authorizing Resolution.

D. The Series A Project No. 6 constitutes a "project" authorized under the Act to be undertaken by the County.

E. The County has the power and authority under the Act and the Authorizing Resolution to authorize the issuance of and to issue and sell the Series A Project No. 6 Notes in an amount not to exceed \$30,000,000 and to use the proceeds thereof to pay all or a portion of the Cost of the Series A Project No. 6.

F. The authorization, issuance and sale of the Series A Project No. 6 Notes and the use of the proceeds thereof as provided in this Supplemental Resolution will serve a proper and valid public purpose.

G. The Series A Project No. 6 Notes shall be payable solely from the Pledged Funds as provided in the Authorizing Resolution. The County shall never be required to levy ad valorem taxes on any property to pay the Series A Project No. 6 Notes and the Series A Project No. 6 Notes shall not constitute a lien on any property owned by the County except proceeds of Series A Project No. 6 Notes and Pledged Funds.

H. The County has complied or will comply prior to the date of issuance of the Series A Project No. 6 Notes herein authorized with all the requirements of Section 2.07 of the Authorizing Resolution regarding the issuance of the Series A Project No. 6 Notes.

I. The County presently intends (but is not obligated to) repay the Series A Project No. 6 Notes with, or provide permanent financing for the Series A Project No. 6 Notes by the issuance of long-term obligations payable from, revenues of the County's water and wastewater utility system.

SECTION 1.03. DEFINITIONS. Capitalized terms used in this Supplemental Resolution shall have meanings ascribed to such terms in the Authorizing Resolution unless the context otherwise expressly requires. Additionally, the following capitalized terms shall have the following meanings, unless the context otherwise expressly requires:

“Authorizing Resolution” shall mean that certain Resolution No. 91-M-04 of the Board duly adopted on February 26, 1991, which authorized the issuance of the Commercial Paper Notes, as supplemented and amended from time to time.

“Commercial Paper Notes” shall mean all of the County’s Commercial Paper Notes authorized, issued and outstanding under the Authorizing Resolution, including the Commercial Paper Notes previously issued and currently outstanding under the Authorizing Resolution.

“Series A Project No. 6 Notes” shall mean the County’s Commercial Paper Notes Series A herein authorized to be issued in the original aggregate principal amount of \$30,000,000 pursuant to this Supplemental Resolution and all renewals thereof.

“Series A Project No. 6” shall mean those water and wastewater utility system capital improvements as set forth and described on Exhibit “A” attached hereto and by this referenced incorporated herein.

SECTION 1.04. THIS SUPPLEMENTAL RESOLUTION AND AUTHORIZING RESOLUTION CONSTITUTE A CONTRACT. In consideration of the acceptance of the Series A Project No. 6 Notes, authorized to be issued hereunder by those who shall be the Holders of the same from time to time and in consideration of the establishment of the Line of Credit by the Bank, this Supplemental Resolution and the Authorizing Resolution shall be deemed to be and shall constitute a contract between the County and such Holders and the Bank, and the covenants and agreements herein and therein set forth to be performed by the County shall be for the equal benefit, protection, and security of the Holders of all such Series A Project No. 6 Notes and the Bank, all of which shall be of equal rank and without preference, priority, or distinction among each other, over any other thereof, except as expressly provided in the Series A Project No. 6 Notes, this Supplemental Resolution or the Authorizing Resolution.

ARTICLE II

AUTHORIZATION AND DETAILS OF SERIES A PROJECT NO. 6 NOTES

SECTION 2.01. AUTHORIZATION OF SERIES A PROJECT NO. 6. The Series A Project No. 6 is hereby specifically authorized to be undertaken by the County.

SECTION 2.02. AUTHORIZATION OF SERIES A PROJECT NO. 6 NOTES. Subject and pursuant to the provisions of this Supplemental Resolution and for purposes of financing and refinancing all or a portion of the cost of acquiring, constructing and equipping the Series A Project No. 6, commercial paper notes of the County, to be known as “Orange County, Florida Commercial Paper Notes Series A,” are hereby authorized to be issued from time to time under and in accordance

with the provisions of the Authorizing Resolution in the original aggregate principal amount of not to exceed THIRTY MILLION DOLLARS (\$30,000,000). This authorization includes the issuance from time to time of commercial paper notes to refinance or refund outstanding Series A Project No. 6 Notes issued for such purposes, provided that the aggregate principal amount of indebtedness represented thereby shall not exceed an aggregate principal amount of THIRTY MILLION DOLLARS (\$30,000,000) outstanding at any one time. Such limitation on the aggregate amount of Series A Project No. 6 Notes outstanding at any one time shall be in addition to and not a limitation upon any Commercial Paper Notes previously authorized by the County.

The Notes described in the previous paragraph are hereby designated as Series A Notes under the Authorizing Resolution and the capital project for which such Notes are authorized is hereby designated as the Series A Project No. 6. The Series A Project No. 6 Notes shall be for all purposes "Notes" issued under and pursuant to Article II of the Authorizing Resolution.

SECTION 2.03. DETAILS OF SERIES A PROJECT NO. 6 NOTES. The interest rate, issue date, maturity date and other details of the Series A Project No. 6 Notes shall be determined and established by the Authorized Officer in the manner provided in the Authorizing Resolution. Such interest rate, issue date, maturity date and other details of the Series A Project No. 6 Notes shall be determined and established so as to result in the lowest overall borrowing cost reasonably achievable in the opinion of such Authorized Officer. In no event shall (i) the term of any Series A Note exceed 270 days, or (ii) the interest rate on any Series A Note exceed the Maximum Rate.

The Series A Project No. 6 Notes are not subject to redemption prior to maturity.

The Series A Project No. 6 Notes shall be in substantially the form set forth in the Authorizing Resolution.

SECTION 2.04. USE OF PROCEEDS OF SERIES A PROJECT NO. 6 NOTES. Simultaneously with the delivery of the Series A Project No. 6 Notes, the County shall deposit the proceeds of the sale thereof into a separate subaccount within the Series A Project Account, which is hereby created and established (the "Series A Project No. 6 Subaccount"), and used to pay the Cost of the Series A Project No. 6.

The cost of issuing the Series A Project No. 6 Notes shall be paid from the Series A Project No. 6 Subaccount.

Notwithstanding and in addition to the foregoing, the County may, to the extent necessary, use proceeds of the Series A Project No. 6 Notes to pay the cost of any Project previously authorized to be undertaken and financed under the commercial paper program authorized and established pursuant to the Authorizing Resolution.

ARTICLE III
SERIES A PROJECT NO. 6 NOTES NOT DEBT OF COUNTY

SECTION 3.01. SERIES A PROJECT NO. 6 NOTES NOT TO BE INDEBTEDNESS OF THE COUNTY. The Series A Project No. 6 Notes shall not be or constitute a general obligation or indebtedness of the County, but shall be payable solely from the Pledged Funds as provided in the Authorizing Resolution. No Holder of any Series A Project No. 6 Notes issued hereunder shall ever have the right to require or compel the exercise of the ad valorem taxing power of the County, or taxation in any form of any property of or in the County to pay the Series A Project No. 6 Notes or the interest thereon.

ARTICLE IV
SALE PROVISIONS; AUTHORIZATION OF AGREEMENTS

SECTION 4.01. AUTHORIZATION OF SALE OF NOTES PURSUANT TO DEALER AGREEMENT. Pursuant to Section 218.385, Florida Statutes, as amended, the Board has found and determined that a negotiated sale of the County's Commercial Paper Notes is in the best interests of the County, and the sale of the Series A Project No. 6 Notes is hereby authorized, based upon the following findings as to the reasons requiring such negotiated sale: (a) the nature of the financing and varying construction start-up dates necessitates extensive planning by the County and the County's Financial Advisor with respect to the structure and timing of the issuance of Commercial Paper Notes, and it is impracticable for the County and the County's Financial Advisor to engage in such planning within the time constraints and other uncertainties inherent in the competitive bidding process; and (b) the uncertainties of the current and future municipal bond market necessitate a negotiated sale in order to achieve flexibility in pricing and marketing Commercial Paper Notes and to assure that the County obtains the best interest rates available.

The County has entered into a Dealer Agreement with Smith Barney, Inc. dated as of September 1, 1997, for the delivery and sale of the Commercial Paper Notes issued under the Authorizing Resolution. The Board hereby finds, determines and declares that it is in the best interest of the County to sell the Series A Project No. 6 Notes herein authorized by negotiated sale pursuant to the terms of the Dealer Agreement.

SECTION 4.02. FURTHER ACTIONS. The Chairman, the Comptroller, the County Administrator, the County Attorney or their designees, and any other appropriate officials of the County are hereby authorized and directed to execute any and all certifications or other instruments or documents required by the Authorizing Resolution, this Supplemental Resolution, the Dealer Agreement, the Line of Credit and Reimbursement Agreement, the Issuing and Paying Agent Agreement or any other document referred to above as a prerequisite or precondition to the issuance

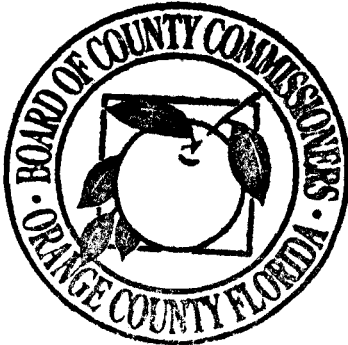
of the Series A Project No. 6 Notes herein authorized, and any representations made therein shall be deemed to be made on behalf of the County. All action taken to date by the County in furtherance of the issuance of the Series A Project No. 6 Notes herein authorized is hereby approved, confirmed and ratified.

SECTION 4.03. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of the Authorizing Resolution or this Supplemental Resolution should be held to be contrary to any express provision of law or to be contrary to the policy of express law, though not expressly prohibited, or to be against public policy, or should for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements, or provisions of, and in no way affect the validity of, all the other provisions of the Authorizing Resolution, this Supplemental Resolution or of the Commercial Paper Notes.

SECTION 4.04. REPEALING CLAUSE. Except as provided herein with respect to the Authorizing Resolution, all resolutions of the County, or parts thereof, in conflict with the provisions of this Supplemental Resolution are to the extent of such conflict hereby superseded and repealed.

SECTION 4.05. EFFECTIVE DATE. This Supplemental Resolution shall take effect upon its adoption.

PASSED AND ADOPTED ON THIS 16th DAY OF June, 1998.



ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

By: Linda W. Chapin
Linda W. Chapin
Orange County Chairman

Attest: Martha O. Haynie, Orange County Comptroller
as Clerk to the Board of County Commissioners

By: [Signature]
Deputy Clerk

EXHIBIT A

SERIES A PROJECT NO. 6

The Series A Project No. 6 consists of the following:

1. Acquisition of land in connection with Southwest Orange Effluent Disposal Joint Facility with City-Conserve II, and Northwest Service Area Reuse.
2. Other water and wastewater utility capital improvement projects approved by the Board from time to time to be paid from commercial paper proceeds as evidenced by inclusion in the capital improvement plan budget for the water and wastewater utility system and certified to by the County Administrator, or her designee, prior to the issuance of Series A Project No. 6 Notes for such projects, or otherwise approved by Note Counsel.