

ORDINANCE NO. 2021-65

**SUPPLEMENTING
MASTER STORMWATER UTILITY
BOND ORDINANCE NO. 2021-64**

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ORDINANCE NO. 2021-65

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, PROVIDING FOR THE ISSUANCE OF THE CITY OF POMPANO BEACH, FLORIDA STORMWATER UTILITY REVENUE BOND, SERIES 2021 IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$11,000,000 UNDER ORDINANCE NO. 2021-64 ENACTED ON JUNE 22, 2021, FOR THE PURPOSE OF FINANCING, TOGETHER WITH OTHER LEGALLY AVAILABLE FUNDS OF THE ISSUER, THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF ALL OR A PORTION OF CERTAIN CAPITAL PROJECTS RELATED TO THE ISSUER'S STORMWATER UTILITY SYSTEM AND PAYING COSTS OF ISSUANCE OF THE SERIES 2021 BOND; FIXING CERTAIN TERMS AND DETAILS OF THE SERIES 2021 BOND; AUTHORIZING EXECUTION AND DELIVERY OF THE SERIES 2021 BOND; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2021 BOND TO CENTERSTATE BANK, N.A.; DIRECTING THE APPLICATION OF THE PROCEEDS OF THE SERIES 2021 BOND; APPOINTING THE ISSUER AS THE INITIAL PAYING AGENT AND REGISTRAR FOR THE SERIES 2021 BOND; AUTHORIZING OTHER REQUIRED ACTIONS; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA THAT:

SECTION 1. AUTHORITY FOR THIS ORDINANCE; DEFINITIONS. This Ordinance (the "Series 2021 Ordinance") is enacted pursuant to the authority in the Constitution of the State of Florida, Chapter 166, Florida Statutes, the municipal charter of the City of Pompano Beach, Florida, and other applicable provisions of law (collectively, the "Act").

In consideration of the acceptance of the Series 2021 Bond (herein defined) by those who shall own the same from time to time, the Bond Ordinance (hereinafter defined) and this Series 2021 Ordinance shall be deemed to be and shall constitute a contract between the Issuer and such Holders of the Series 2021 Bond. All capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed thereto in the Bond Ordinance or herein, unless otherwise provided or unless the context otherwise clearly requires. To the extent necessary to effectuate the terms and conditions hereof, the Bond Ordinance is hereby incorporated herein by this reference.

SECTION 2. FINDINGS. It is hereby found and determined that:

A. The Issuer currently owns, operates and maintains the System and derives Gross Revenues from rates, fees, rentals and other charges made and collected for the services of such System. The Pledged Revenues are not now pledged or encumbered in any manner, other than to the Prior Subordinated Debt, which indebtedness is secured by a subordinate lien upon and pledge of the Pledged Revenues.

B. Pursuant to Ordinance No. 2021-64 duly enacted by the City Commission of the Issuer (the "City Commission") on June 22, 2021, as same may be amended from time to time (the "Bond Ordinance"), the Issuer authorized the issuance of Bonds from time to time, in one or more Series, for the purpose of financing and refinancing the acquisition, construction and equipping of Projects related to the System.

C. The Bond Ordinance also specifically authorized the issuance of the Issuer's Series 2021 Bond in the aggregate amount of not exceeding \$11,000,000 to finance the Series 2021 Project, with further details regarding the Series 2021 Bond and the Series 2021 Project to be provided in Supplemental Resolution(s) to be effective prior to the issuance of the Series 2021 Bond. This Series 2021 Ordinance shall be a Supplemental Resolution within the meaning of the Bond Ordinance with respect to the Series 2021 Bond.

D. The Issuer hereby determines that it is necessary, desirable and in the best interests of the Issuer to pay for the financing of a Project consisting of the acquisition, construction and equipping of various public improvements to the System included in the current five-year capital improvement plan adopted by the Issuer, as same may be modified in accordance herewith (the "Series 2021 Project"), as more fully described on Exhibit A hereto.

E. In furtherance of the foregoing, and pursuant to the Bond Ordinance, subject to the requirements of Section 6 hereof, the Issuer deems it to be in its best interest to issue its Series 2021 Bond in the initial principal amount of not exceeding \$11,000,000 (which shall be the "Series 2021 Bond" for purposes of the Bond Ordinance and hereof) and to apply the proceeds of the Series 2021 Bond to finance all or a portion of the Series 2021 Project and for such other purposes set forth herein.

F. All of the provisions, covenants, pledges and conditions in the Bond Ordinance, as supplemented hereby, shall be applicable to the Series 2021 Bond herein authorized and such Series 2021 Bond shall constitute "Bonds" within the meaning of the Bond Ordinance.

G. The Issuer invited qualified financial institutions to submit proposals to make a loan to the Issuer by purchasing the Series 2021 Bond. The City Manager and the Finance Director, in consultation with the Financial Advisor and the City Attorney, determined that the proposal submitted by CenterState Bank, N.A. (the "Lender") provided the most favorable terms and conditions to the Issuer. The Lender's proposal is in the form of a term sheet submitted to the Issuer (the "Term Sheet"). Due to the present volatility of the market for tax exempt bonds such as the Series 2021 Bond, and

the complexity of the transactions relating to the Series 2021 Bond, it is in the best interest of the Issuer to sell the Series 2021 Bond to the Lender by a delegated, negotiated sale, rather than at a specified advertised date, in order to obtain the best possible interest rate for the Series 2021 Bond.

H. It is now appropriate to authorize the issuance of the Series 2021 Bond and to determine the terms and details thereof.

I. The principal of, premium, if any, and interest on the Series 2021 Bond herein authorized and all sinking fund, reserve and other payments provided for in the Bond Ordinance shall be payable solely from the Pledged Revenues and it will not be necessary nor has there been authorized the levy of taxes on any property in the Issuer to pay for same, and the Series 2021 Bond shall not constitute a lien upon any of the properties of the Issuer, except the Pledged Revenues, nor shall the Series 2021 Bond be secured by the credit or taxing power of the Issuer or the general funds of the Issuer not expressly pledged under the Bond Ordinance and hereunder.

SECTION 3. APPROVAL AND AUTHORIZATION OF THE SERIES 2021 PROJECT AND THE SERIES 2021 BOND.

(a) The Issuer hereby approves and authorizes the Series 2021 Project. The Series 2021 Project may be modified, in consultation with the City Attorney and Bond Counsel, by a certificate of the City Manager to delete therefrom all or any component of the Series 2021 Project and/or to include any public capital project relating to the System authorized under the Issuer's then-current and adopted five-year capital improvement plan.

(b) Subject to the provisions of Section 6 hereof and Section 7 hereof, the Issuer hereby authorizes and approves the issuance of a Series of Bonds in the initial principal amount of not exceeding \$11,000,000 to be known as the "City of Pompano Beach, Florida Stormwater Utility Revenue Bond, Series 2021" for the purpose, together with other legally available funds of the Issuer, of providing funds to finance all or a portion of the cost of the Series 2021 Project and pay costs of issuance of the Series 2021 Bond. The Series 2021 Bond shall be secured by a first lien on and pledge of the Pledged Revenues, on a parity with any Additional Parity Obligations hereafter issued and Outstanding under the Bond Ordinance. All provisions, covenants, pledges and conditions of the Bond Ordinance shall be applicable to the Series 2021 Bond.

(c) The Lender is not requiring the Issuer to secure the Series 2021 Bond by the Reserve Account or a subaccount therein and, accordingly, notwithstanding anything to the contrary in the Bond Ordinance, the Series 2021 Bond shall not be secured by the Reserve Account.

(d) The Series 2021 Bond shall be issued as one fully registered Term Bond without coupons in authorized denominations equal to the Outstanding principal amount of the Series 2021 Bond from time to time. The Series 2021 Bond shall mature on March 1, 2041 (the "Maturity Date"). Amortization Installments on the Series 2021 Bond

shall be payable semi-annually, commencing on September 1, 2021 and each March 1 and September 1 thereafter through the scheduled Maturity Date of the Series 2021 Bond, at which time the final principal payment on the Series 2021 Bond shall be due, subject to the earlier redemption in whole of the Series 2021 Bond. Interest on the Outstanding principal amount of the Series 2021 Bond shall be payable on each March 1 and September 1 (each, an "Interest Payment Date") commencing on September 1, 2021 through the Maturity Date or earlier date on which the Series 2021 Bond is redeemed in whole. Interest on the Series 2021 Bond shall accrue at the fixed rate of 2.57% per annum (the "Tax-Exempt Rate"), subject to adjustment to a "Taxable Rate" upon an "Event of Taxability" (as such terms are defined in the form of Series 2021 Bond attached hereto as an exhibit), all as shall be more fully set forth in the Series 2021 Bond. The Tax-Exempt Rate is further subject to adjustment to a "Default Rate" (as such term is defined in the form of Series 2021 Bond attached hereto as an exhibit) upon an Event of Default under the Ordinance, subject to the provisions of Section 9(d) hereof, all as shall be more fully set forth in the Series 2021 Bond.

(e) Upon the occurrence of an Event of Taxability and for as long as the Series 2021 Bond remains Outstanding, the Tax-Exempt Rate on the Series 2021 Bond shall be converted to the Taxable Rate and this adjustment shall survive payment on the Series 2021 Bond until such time as the federal statute of limitations under which the interest on the Series 2021 Bond could be declared taxable under the Code shall have expired. In addition, upon an Event of Taxability, the Issuer shall, immediately upon demand, pay to the Holder (or prior Holder(s), if applicable) (i) an additional amount equal to the difference between (A) the amount of interest actually paid on the Series 2021 Bond during the Taxable Period (as such term is defined in the form of Series 2021 Bond attached hereto as an exhibit) and (B) the amount of interest that would have been paid during the Taxable Period had the Series 2021 Bond borne interest at the Taxable Rate, and (ii) an amount equal to any interest, penalties and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Holder as a result of the Event of Taxability.

(f) The Holder shall advise the Issuer in writing within a reasonable time in good faith what amounts, if any, are owing as a result of an Event of Taxability as described herein. Notwithstanding anything to the contrary herein or in the Bond Ordinance, it shall not be an Event of Default under the Ordinance or the Series 2021 Bond if an Event of Taxability shall occur, regardless of any action or inaction by the Issuer.

(g) Upon the occurrence and continuance of an Event of Default, or, except as otherwise provided herein, a failure of the Issuer to comply with any covenant, condition or agreement on its part to be observed or performed under the Ordinance, the Series 2021 Bond shall bear interest at a rate per annum equal to the Default Rate.

(h) Notwithstanding anything to the contrary in the Bond Ordinance, the Holder of the Series 2021 Bond may, at its option, collect from the Issuer a late charge of five percent (5.0%) of any payment not received by the Holder within ten (10) days after the payment is due.

(i) Notwithstanding anything to the contrary in the Bond Ordinance, the Series 2021 Bond shall not be held in book-entry only form.

SECTION 4. REDEMPTION PROVISIONS. The Amortization Installments for the Series 2021 Bond shall be set forth in the executed form thereof. As shall be finally set forth in Series 2021 Bond, the Issuer may, at its option, prepay the principal amount of the Outstanding Series 2021 Bond in whole or in part on any Business Day as more fully set forth in the Series 2021 Bond. All prepayments shall be applied in inverse order of maturity, treating Amortization Installments as maturities.

No notice is required for mandatory sinking fund redemption of the Series 2021 Bond from scheduled Amortization Installments. Notice of optional redemption, specifying the desired redemption date, shall be sent to the registered Holder of the Series 2021 Bond at least two (2) Business Days prior to the date of redemption (the "Redemption Notice"). Notwithstanding any provision of the Bond Ordinance to the contrary, no other notice of redemption of the Series 2021 Bond is required, nor is any optional redemption of Series 2021 Bond required to be made on an Interest Payment Date or in any specified minimum amount. The Issuer may revoke any Redemption Notice, once given, up to the redemption date specified in the Redemption Notice; thereafter such Redemption Notice shall be irrevocable. In the event of any optional redemption of Series 2021 Bond in accordance with their terms, the Issuer shall, in accordance with Section 20(B) of the Bond Ordinance, prior to the redemption date, withdraw from the Interest Account and the Principal Account and transfer to the Redemption Account and then withdraw from the Redemption Account and set aside in separate accounts (which may include subaccounts in the Interest Account and/or Principal Account established for the Series 2021 Bond) the respective amounts required for paying the interest on, and the principal of, the Series 2021 Bond so called for redemption.

SECTION 5. EXECUTION OF THE SERIES 2021 BOND. The Mayor or his designee is hereby authorized and directed to execute, and/or to cause his facsimile signature to be placed on, and the Issuer Clerk or her designee is hereby authorized to attest by manual or facsimile signature, the Series 2021 Bond and such officers are further authorized to cause the corporate seal of the Issuer to be imprinted or reproduced thereon and to deliver the Series 2021 Bond to the Registrar for authentication and delivery. The Series 2021 Bond shall be substantially in the form set forth as Exhibit B hereto. Execution of the Series 2021 Bond by the Mayor or his designee shall constitute conclusive evidence of the approval thereof by the Issuer.

SECTION 6. SALE OF THE SERIES 2021 BOND. Based on the findings set forth in Section 2 hereof, the City Commission hereby awards the sale of the Series 2021 Bond to the Lender on a negotiated basis. The Series 2021 Bond is authorized to be sold to the Lender at a purchase price equal to the original aggregate principal amount of the Series 2021 Bond. As a condition to the delivery to the Lender of the Series 2021 Bond, the Lender shall deliver to the Issuer an investor letter substantially

in the form of Exhibit C hereto and submit to the Issuer the Disclosure Statement and Truth-in-Bonding Statement required by Section 218.385, Florida Statutes, substantially in the form attached hereto as Exhibit D. The execution of the Term Sheet on behalf of the City is hereby ratified, confirmed and approved.

SECTION 7. APPLICATION OF THE SERIES 2021 BOND PROCEEDS. The proceeds derived from the sale of the Series 2021 Bond shall be applied simultaneously with the delivery thereof for the purposes stated in, and in a manner consistent with, a certificate executed by the City Manager and delivered at the time of issuance of the Series 2021 Bond (the "City Manager Certificate"). The portion of the proceeds of the Series 2021 Bond to be used to pay the Costs of the Series 2021 Project shall be deposited or credited on the date of issuance of the Series 2021 Bond to a separate subaccount in the Project Account, which subaccount is hereby created and designated as the "Series 2021 Project Subaccount." To the extent any such proceeds are used to reimburse the Issuer for Costs of the Series 2021 Project incurred prior to the date of issuance of the Series 2021 Bond, such reimbursement will be reflected in the City Manager Certificate. The balance of the proceeds of the Series 2021 Bond shall be used to pay costs of issuance of the Series 2021 Bond and shall be deposited on the date of issuance of the Series 2021 Bond to a separate subaccount in the Project Account, which subaccount is hereby created and designated as the "Series 2021 Bond Cost of Issuance Subaccount." The specific amounts to be deposited into the Series 2021 Project Subaccount and Series 2021 Bond Cost of Issuance Subaccount shall be set forth in the City Manager Certificate. Any amounts remaining on deposit in the Series 2021 Bond Cost of Issuance Subaccount on the date which is 180 days from the date of issuance of the Series 2021 Bond shall be transferred to the Series 2021 Project Subaccount. Proceeds of the Series 2021 Bond on deposit in the Series 2021 Project Subaccount and the Series 2021 Bond Cost of Issuance Subaccount, together with investment earnings thereon, shall be applied as provided in the Bond Ordinance.

SECTION 8. APPOINTMENT OF PAYING AGENT AND REGISTRAR. The Issuer will serve as initial Paying Agent and Registrar for the Series 2021 Bond and hereby accepts the duties imposed by the Bond Ordinance, as supplemented hereby, upon the Paying Agent and Registrar for the Series 2021 Bond.

SECTION 9. PARTICULAR COVENANTS. While the Series 2021 Bond is Outstanding:

(a) no modification or amendment of Section 20(E) and/or Section 20(Q) of the Bond Ordinance or this Series 2021 Ordinance may be made except with the express written consent of the Holder and the express written consent of the Holder shall be a condition to the effectiveness of any modification or amendment to be made pursuant to Section 22(N) of the Bond Ordinance;

(b) the Issuer shall deliver to the Holder its comprehensive annual financial report no later than 270 days following the end of each Fiscal Year of the Issuer and a copy of its annual budget within 60 days of the adoption thereof;

(c) the Issuer shall provide the Holder with such additional financial information from time to time as may be reasonably requested by the Holder in connection with the Series 2021 Bond;

(d) upon an Event of Default under the Ordinance, the Holder may recover from the Issuer all expenses reasonably incurred by the Holder in enforcing its rights as Holder of the Series 2021 Bond, including, without limitation, reasonable attorney's fees, at all levels of the proceedings, whether incurred in connection with collection, bankruptcy proceedings, trial, appeal or otherwise;

(e) notwithstanding anything to the contrary in the Bond Ordinance, the Series 2021 Bond shall be governed by applicable federal law and the internal laws of the State of Florida. The Issuer acknowledges that certain material events and occurrences relating to the Series 2021 Bond bear a reasonable relationship to the laws of the State of Florida and the validity, terms, performance and enforcement of the Series 2021 Bond shall be governed by the internal laws of the State of Florida which are applicable to agreements which are negotiated, executed, delivered and performed solely in the State of Florida. Unless applicable law provides otherwise, in the event of any legal proceeding involving the Holder arising out of or related to the Series 2021 Bond, the Issuer consents to the jurisdiction and venue of any court located in Broward County, Florida and the applicable appellate courts;

(f) 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 involving the Holder based on or arising out of the Bond Ordinance, this Series 2021 Ordinance or the Series 2021 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 Bond Ordinance, this Series 2021 Ordinance or the Series 2021 Bond;

(g) the Issuer shall, within five (5) Business Days after it acquires knowledge thereof, notify the Holder in writing upon the happening, occurrence, or existence of any Event of Default and any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide with such written notice a detailed statement by a responsible officer of the Issuer of all relevant facts and the action being taken or proposed to be taken by the Issuer with respect thereto. Regardless of the date of receipt of such notice by the Holder, such date shall not in any way modify the date of occurrence of the actual Event of Default; and

(h) notwithstanding anything to the contrary in the Bond Ordinance, an Event of Default shall be deemed to occur if any default that is the subject of Section 21(C) of the Bond Ordinance is not cured within one hundred twenty (120) days after the written notice to the Issuer is given as provided for in Section 21(C) of the Bond Ordinance.

SECTION 10. TAX COVENANT. Notwithstanding anything to the contrary contained in the Bond Ordinance, the Issuer covenants with the Holder(s) of the Series 2021 Bond that it shall comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code") necessary to maintain the exclusion of interest on the

Series 2021 Bond from gross income for purposes of federal income taxation, including the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code, and, in particular, that it shall not make or direct the making of any investment or other use of proceeds of such Series 2021 Bond (or amounts deemed to be proceeds under the Code) in any manner which would cause the interest on such Series 2021 Bond to be or become subject to federal income taxation, nor shall it fail to do any act which is necessary to prevent such interest from becoming subject to federal income taxation. The Issuer further covenants that neither the Issuer nor any other person under its control or direction will make any investment or other use of the proceeds of the Series 2021 Bond (or amounts deemed to be proceeds under the Code) in any manner which would cause the Series 2021 Bond to be "private activity bonds" as that term is defined in Section 141 of the Code (or any successor provision thereto), or "arbitrage bonds" as that term is defined in Section 148 of the Code (or any successor provision thereto) and that it will comply with such sections of the Code throughout the term of the Series 2021 Bond.

SECTION 11. GENERAL AUTHORITY. The Mayor, City Manager, Finance Director, Utility Director, City Clerk and any other proper officials of the Issuer are hereby authorized to do all acts and things required of them by this Series 2021 Ordinance, the Bond Ordinance, or the Series 2021 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 and to cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated thereby.

SECTION 12. 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 effect the validity of the other provisions hereof or of the Series 2021 Bond.

SECTION 13. BOND ORDINANCE TO CONTINUE IN FORCE. Except as herein expressly provided as to the Series 2021 Bond, the Bond Ordinance and all the terms and provisions thereof, are and shall remain in full force and effect.

SECTION 14. EFFECTIVE DATE. This Ordinance shall become effective immediately upon enactment by the City Commission of the Issuer.

PASSED at a meeting of the City Commission held the 25th day of May, 2021.

ENACTED at a meeting and public hearing of the City Commission held the 22nd day of June, 2021.

(SEAL)

Rex Hardin, Mayor

ATTEST:

Asceleta Hammond, City Clerk

EXHIBIT A
SERIES 2021 PROJECT

EXHIBIT B

FORM OF SERIES 2021 BOND

THIS OBLIGATION MAY ONLY BE TRANSFERRED AS PROVIDED HEREIN

No. R-1

\$ _____

**CITY OF POMPANO BEACH, FLORIDA
STORMWATER UTILITY REVENUE BOND, SERIES 2021**

MATURITY DATE:

**INTEREST RATE (subject to
adjustment as provided herein):**

DATED DATE:

March 1, 2041

2.57%

June ____, 2021

Registered Holder: CenterState Bank, N.A.

Principal Amount: _____ Dollars

The City of Pompano Beach, Florida (hereinafter called "Issuer"), for value received, hereby promises to pay to the registered Holder designated above, or registered assigns, without presentment, solely from the special funds hereinafter mentioned, on the Maturity Date specified above (unless this Bond shall have been called for redemption prior to maturity and payment of the redemption price shall have been duly made or provided for), the Principal Amount shown above and to pay, solely from such special funds, interest thereon from the Dated Date shown above at the Interest Rate per annum specified above (the "Tax-Exempt Rate"), subject to adjustment as provided herein, payable on September 1, 2021 and semiannually thereafter on March 1 and September 1 in each year through the Maturity Date shown above or earlier redemption in whole of this Bond. The interest due hereunder shall be computed based on a 360 day year of twelve (12) thirty (30) day months. The Issuer shall pay to the Registered Holder on each March 1 and September 1, commencing September 1, 2021, payments of principal sufficient to fully amortize the Principal Amount shown above through the Maturity Date or earlier redemption in whole of this Bond, at which time the unpaid and outstanding Principal Amount, together with all accrued interest shall be due and payable. The principal of, premium, if any, and interest on this Bond is payable in lawful money of the United States of America. Payment of principal, Amortization Installments and interest on this Bond shall be made by wire transfer to the registered Holder set forth above in accordance with standing instructions of such Holder to the Issuer.

All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the hereinafter defined Ordinance.

This Bond is subject to redemption at the option of the Issuer: (i) before June ____, 2024, at a redemption price equal to the par amount of the Series 2021 Bond to be prepaid, together with a premium equal to 1.5% of the principal amount of the 2021 Bond to be redeemed, (ii) during the period from June ____, 2024 through and including June ____, 2026, at a redemption price equal to the principal amount of the Series 2021 Bond to be prepaid, together with a premium equal to 1.0% of the principal amount of the Series 2021 Bond to be redeemed, and (iii) after June ____, 2026, at a redemption price equal to the principal amount of the Series 2021 Bond to be prepaid, without premium, in each of the foregoing cases, together with accrued interest thereon to the date of prepayment. All prepayments shall be applied in inverse order of maturity, treating Amortization Installments as maturities.

This Bond is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Redemption Account established under the Ordinance in satisfaction of applicable Amortization Installments at the redemption price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on March 1 and September 1 of the years and in the principal amounts set forth below:

<u>Redemption Date</u>	<u>Amortization Installment</u>
------------------------	-------------------------------------

*Final maturity

Notice of optional redemption of the Series 2021 Bond shall be given in the manner required by the Ordinance.

This Bond is all of an authorized issue of Bonds in the aggregate principal amount of \$_____ (the "Series 2021 Bond"), issued for the purpose of (i) financing all or a portion of a Project consisting of the acquisition, construction and equipping of various public improvements to the System included in the current five-year capital improvement plan adopted by the Issuer, as same may be modified in

accordance herewith (the "Series 2021 Project"), as more fully described in the hereinafter defined Series 2021 Ordinance and (ii) paying the costs of issuance of the Series 2021 Bond.

The Series 2021 Bond is issued in full compliance with Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 166, Florida Statutes, the municipal charter of the City of Pompano Beach, Florida, and other applicable provisions of law and Ordinance No. 2021-64 enacted by the Issuer on June 22, 2021, as amended and supplemented from time to time (the "Bond Ordinance"), and particularly as supplemented by Ordinance No. 2021-65 duly enacted by the Issuer on June 22, 2021 (the "Series 2021 Ordinance" and, collectively with the Bond Ordinance, the "Ordinance") and is subject to all the terms and conditions of such Ordinance. Modifications or alterations of the Ordinance or any ordinances or resolutions supplemental thereto may be made only to the extent and in the circumstances permitted by the Ordinance.

This Bond is payable solely from and secured by the Pledged Revenues in the manner and to the extent provided in the Ordinance. The Issuer may issue Additional Parity Obligations on a parity with this Bond from time to time upon the conditions and within the limitations and in the manner provided in the Ordinance.

If there is an Event of Taxability, this Bond shall bear interest at the Taxable Rate during the Taxable Period, subject to the applicable provisions of Section 3 of the Series 2021 Ordinance. Upon an Event of Default this Bond shall bear interest at the Default Rate.

For purposes of the foregoing:

"Default Rate" shall mean the lesser of (i) the sum of 6.0% per annum and the current interest rate per annum on this Bond or (ii) the maximum rate permitted by law.

"Event of Taxability" shall mean the occurrence after the date of issuance of the Series 2021 Bond of 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 all or a portion of the Series 2021 Bond is or was includable in the gross income of the Holder (or any prior Holder) 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 at the Issuer's own expense to contest the same, either directly or in the name of the applicable Holders(s), and until the conclusion of any appellate review, if sought. An Event of Taxability does not include and is not triggered by a change in law by the United States Congress that causes the interest to be includable under any Holder's gross income. For all purposes of this definition and hereof, the effective date of any Event of Taxability will be the first date as of which interest is deemed includable in the gross income of the Holder of the Series 2021 Bond.

“Taxable Period” shall mean the period of time between (a) the date, if any, that interest on the Series 2021 Bond is deemed to be includable in the gross income of the Holder thereof for federal income tax purposes as a result of an Event of Taxability, and (b) the date of the Event of Taxability and after which the Series 2021 Bond bears interest at the Taxable Rate.

“Taxable Rate” shall mean 3.25% per annum.

This Bond is issuable only as a registered Bond without coupons in Authorized Denominations. Notwithstanding anything to the contrary in the Ordinance, this Bond may only be transferred or assigned in whole, but not in part, provided that the transferee or assignee is (1) an "accredited investor" within the meaning of the Securities Act of 1933, as amended and Regulation D thereunder; provided, however, that such term shall not include an accredited investor that is a natural person within the meaning of Rule 501(a)(4),(5) and (6) of Regulation D or (2) a "qualified institutional buyer" within the meaning of Rule 144A promulgated under the Securities Act of 1933.

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 Holder of this Bond that such Bondholder 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, premium, if any, and interest on this Bond or the making of any debt service fund or other payments provided for in the Ordinance.

It is further agreed between the Issuer and the Holder 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, on a parity with Additional Parity Obligations issued and Outstanding from time to time, all in the manner provided in the Ordinance. The Series 2021 Bond is not secured by the Reserve Account or any subaccount that may be created therein.

The Issuer has entered into certain covenants with the Holder of the Series 2021 Bond for the terms of which reference is made to the Ordinance.

The Registered Holder of this Bond shall have no right to enforce the provisions of the Ordinance, or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Ordinance, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Ordinance.

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 the laws of the State of Florida.

The transfer of this Bond is registrable by the Bondholder 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 in the Ordinance and upon surrender and cancellation of this Bond.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Ordinance until it shall have been authenticated by the execution by the Registrar of the certificate of authentication endorsed hereon.

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 statutes and Constitution of the State of Florida applicable thereto; and that the issuance of this Bond and of the issue of the Series 2021 Bond of which this Bond is one, is authorized by and is in conformity with, and does not violate, any constitutional, statutory or charter limitation or provision

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City of Pompano Beach, Florida has issued this bond and has caused the same to be executed by the manual signature of its Mayor, attested by the manual signature of its City Clerk, and its official seal or a facsimile thereof to be affixed or reproduced hereon, all as of the ____ day of June, 2021.

CITY OF POMPANO BEACH, FLORIDA

(SEAL)

Mayor

ATTESTED:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond represents all of the Series 2021 Bond of the issue described in the within-mentioned Ordinance.

DATE OF AUTHENTICATION:

City of Pompano Beach, Florida, as
Registrar

By: _____
Authorized Officer

ASSIGNMENT AND TRANSFER

For value received the undersigned hereby sells, assigns and transfers unto _____ (Please insert Social Security or other identifying number of transferee) _____ the attached bond of the City of Pompano Beach, Florida, and does hereby constitute and appoint, _____, attorney, to transfer the said Bond on the books kept for Registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed by _____
[member firm of the New York Stock Exchange or a commercial bank or a trust company.]

By: _____
Authorized Officer

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the transferee, unless the signature to this assignment corresponds with the name 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 Federal Employer Identification Number of the transferee is supplied.

[END OF FORM OF BOND]

EXHIBIT C

FORM OF INVESTOR LETTER

City Commission
City of Pompano Beach, Florida

Re: \$_____ Stormwater Utility Revenue Bond, Series 2021 (the "Series 2021 Bond")

Ladies and Gentlemen:

This letter is being provided in connection with the purchase of the above-referenced Series 2021 Bond which was delivered to us by the City of Pompano Beach, Florida (the "City") as of the date hereof.

1. We are engaged in the business of entering into loan transactions evidenced by obligations similar to the Series 2021 Bond.

2. We are a bank, savings institution and/or qualified institutional buyer as such terms are defined in Section 517.061(7), Florida Statutes and Rule 144A promulgated by the Securities and Exchange Commission under the 1933 Act, and we have sufficient knowledge and experience in financial and business matters, including the purchase and ownership of tax-exempt obligations, to be capable of evaluating the merits and risks of our purchase of the Series 2021 Bond.

3. We are able to bear the economic risk of our purchase of the Series 2021 Bond.

4. We acknowledge that the Series 2021 Bond does not represent a general obligation of the City, Broward County, Florida, the State of Florida or any political subdivision thereof and are not payable from taxes or any moneys provided by or to the City, other than those described in the Series 2021 Bond, and we further acknowledge that no covenant, stipulation, obligation or agreement contained in any documents related to the issuance of the Series 2021 Bond is or shall be deemed to be a covenant, agreement or obligation of any present or future board member, officer or employee of the City in his or her individual capacity.

5. We acknowledge that the Series 2021 Bond has not been and will not be registered under the 1933 Act or the securities or Blue Sky laws of any state and are not listed on any stock or securities exchange.

6. We understand that no offering, statement, prospectus, offering circular, official statement or other disclosure document containing material information with respect to the City and the Series 2021 Bond is being or has been

prepared, and that, with due diligence, we have made our own inquiry and analysis with respect to the City, the Series 2021 Bond and the security therefor.

7. We have received all financial and other information regarding the Series 2021 Bond that we have requested and which we consider relevant or necessary to make an informed decision to purchase the Series 2021 Bond. We have made our own inquiry into the creditworthiness of the Series 2021 Bond and the City, we have received all the information that we have requested from the City or any agents or representatives thereof, and we have been afforded a reasonable opportunity to ask questions about the terms and conditions of the offering of the Series 2021 Bond and the security therefor, and the City, and have received, to the best of our knowledge, complete and satisfactory answers to all such questions.

8. We are not purchasing the Series 2021 Note 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 will take no action to cause the Series 2021 Bond or the loan evidenced thereby to be characterized as a security for purposes of the Federal or State securities laws. We further acknowledge that (i) no CUSIP numbers will be obtained for the Series 2021 Bond, (ii) the City may make any filings with respect to the Series 2021 Note, including with the Electronic Municipal Markets Access website, the Municipal Securities Rulemaking Board's continuing disclosure site or other similar repository, as it deems appropriate or as otherwise required by applicable law or the City's prior or future continuing disclosure undertakings for purposes of Rule 15(c)2-12 of the Securities and Exchange Commission, and (iii) no credit rating or credit enhancements will be obtained with respect to the Series 2021 Bond.

9. On the date of this certificate, we are purchasing the Series 2021 Bond for the amount of \$_____. We are not acting as an Underwriter or other intermediary with respect to the Series 2021 Bond, and are purchasing the Series 2021 Bond as an investment for our own account. We have no present intention to sell, reoffer, syndicate or otherwise dispose of the Series 2021 Bond to the public and will not use the Series 2021 Bond in a future securitized transaction (or any portion of the Series 2021 Bond or any interest in the Series 2021 Bond). We understand that the Series 2021 Bond may be transferred or assigned in whole, but not in part, only to (1) an "accredited investor" within the meaning of the Securities Act of 1933, as amended and Regulation D thereunder; provided such term shall not include an accredited investor that is a natural person within the meaning of Rule 501(a)(4),(5) and (6) of Regulation D or (2) a qualified institutional buyer within the meaning of Section 517.061(7), Florida Statutes and Rule 144A promulgated under the Securities Act of 1933, as more fully set forth in the Series 2021 Bond. We have not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Series 2021 Bond and we have not agreed with the City pursuant to a written agreement to sell the Series 2021 Bond to persons other than the undersigned or a related party to the undersigned. For purposes of the foregoing, the following terms have the meanings ascribed thereto:

- (a) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

- (b) *Underwriter* means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2021 Bond to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2021 Bond to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2021 Bond to the Public).

The undersigned understands that the foregoing information in this Section 9 will be relied upon by the City with respect to certain of the representations set forth in the Federal Tax Certificate and with respect to compliance with the federal income tax rules affecting the Series 2021 Bond, and by Greenspoon Marder LLP, as bond counsel, in connection with rendering its opinion that the interest on the Series 2021 Bond is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Series 2021 Bond.

Dated this ____ day of June, 2021.

CENTERSTATE BANK, N.A.

By: _____

Name: _____

Title: _____

EXHIBIT D

FORM OF DISCLOSURE/TRUTH IN BONDING STATEMENT

City Commission
City of Pompano Beach, Florida

Re: \$_____ Stormwater Utility Revenue Bond, Series 2021 (the "Series 2021 Bond")

Ladies and Gentlemen:

In connection with the proposed issuance of the above-captioned Series 2021 Bond, CenterState Bank, N.A. (the "Lender") has agreed to purchase the Series 2021 Bond. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in Master Stormwater Utility Bond Ordinance No. 2021-64, as supplemented by Ordinance No. 2021-65, each enacted by the City of Pompano Beach, Florida (the "City") on June 22, 2021.

The purpose of this letter is to furnish pursuant to the provisions of Sections 218.385(2) and (6), Florida Statutes, as amended, certain information in respect to the arrangement contemplated for the placement and sale of the Series 2021 Bond as follows:

(a) An itemized list setting forth the nature and estimated amounts of expenses to be incurred by the Lender in connection with the issuance of the Series 2021 Bond is set for below:

Lender's Counsel Fee (Holland & Knight LLP): \$9,500.00 (paid by City)

(b) No "finder" as that term is defined in Section 218.386, Florida Statutes, as amended, has entered into an understanding with the Lender, or to the knowledge of the Lender, with the City, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Lender or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Series 2021 Bond.

(c) The underwriting spread to be paid by the City will be: \$0.00

(d) No other fee, bonus or other compensation is estimated to be paid by the Lender in connection with the issuance of the Series 2021 Bond to any person not regularly employed or retained by the Lender (including any "finder," as defined in Section 281.386(1)(a), Florida Statutes, as amended), except as specifically enumerated as expenses to be incurred and paid by the Lender as set forth in paragraph (a) above.

(e) Truth-in-Bonding Statement — The City is proposing to issue the Series 2021 Bond for the purpose of providing funds, together with other legally available funds of the City, for the primary purpose of financing the acquisition, construction and equipping of all or a portion of a Project relating to the City's System and paying costs of issuance of the Series 2021 Bond. The Series 2021 Bond is expected to be repaid over a period of approximately ____ years, through maturity on _____ (the "Maturity Date"). Assuming an initial tax-exempt interest rate of _____ per annum through the Maturity Date, the total interest paid over the life of the Series 2021 Bond will be \$_____.

The source of repayment or security for the Series 2021 Bond is limited solely to the Pledged Revenues. The authorization of the debt or obligation evidenced by the Series 2021 Bond will result in approximately \$_____ of Pledged Revenues not being available to the City to finance other projects of the City each year for the approximately ____ year period from the date of issuance of the Series 2021 Bond to the Maturity Date.

(f) The name and address of the Lender is set forth below:

CenterState Bank, N.A.
200 E Las Olas Blvd., Suite 1750
Fort Lauderdale, FL 33301

We understand that the City does not require any further disclosure from the Lender, pursuant to Section 218.385(6), Florida Statutes, as amended.

Dated as of this ____ day of June, 2021.

Yours very truly,

CENTERSTATE BANK, N.A.

By: _____
[Name/Title]