



**HOBE-ST. LUCIE  
CONSERVANCY DISTRICT**

**MARTIN COUNTY**

**BOARD OF SUPERVISORS MEETING  
OCTOBER 25, 2023  
9:30 A.M.**

Special District Services, Inc.  
The Oaks Center  
2501A Burns Road  
Palm Beach Gardens, FL 33410

[www.hobestluciecd.org](http://www.hobestluciecd.org)  
561.630.4922 Telephone  
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**AGENDA**  
**HOBE-ST. LUCIE CONSERVANCY DISTRICT**  
Conference Room at Becker Tree Farm  
2400 SE Bridge Road  
Hobe Sound, Florida 33455  
**BOARD OF SUPERVISORS MEETING**  
October 25, 2023  
9:30 a.m.

- A. Call to Order
- B. Proof of Publication.....Page 1
- C. Establish Quorum
- D. Additions or Deletions to Agenda
- E. Comments from the Public for Items Not on the Agenda
- F. Approval of Minutes
  - 1. July 26, 2023 Board of Supervisors Board Meeting.....Page 2
- G. Old Business
  - 1. Status Update Regarding RG Reserve Pipe Permit
  - 2. Status Update Regarding Howe Holdings Agreements
  - 3. Status Update Regarding SFWMD Access Permit for Geotech
  - 4. Status Update on Unit of Development No. 6
- H. New Business
  - 1. Consider Resolution No. 2023-05 – Amended and Restated Bond Resolution.....Page 9
  - 2. Consider Resolution No. 2023-06 – Approval of Award Resolution.....Page 48
  - 3. Consider Approval of Proposal from BNY Mellon Corporate Trust for Trustee Services.....Page 59
  - 4. Consider Approval of Landowner Agreement.....Page 64
  - 5. Consider Resolution No. 2023-07 – Adopting a Fiscal Year 2022/2023 Amended Budget.....Page 65
  - 6. Consider Approval of Estimated Repair Cost – Higgins Engineering, Inc.....Page 66
  - 7. Consider Approval of Request from Jonathan Ricketts to line a portion of HSLCD IC # 2.....Page 67
  - 8. Consider Proposal to Automate the Pasture Pump.....Page 68
- I. Administrative Matters
  - 1. Engineer’s Report
  - 2. Attorney’s Report
  - 3. Manager’s Report
  - 4. Field Operations Report
- J. Board Members Comments
- K. Adjourn

Publication Date  
2023-10-13

Subcategory  
Miscellaneous Notices

HOBE-ST. LUCIE  
CONSERVANCY DISTRICT  
FISCAL YEAR 2023/2024 REGULAR MEETING SCHEDULE

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the Hobe-St. Lucie Conservancy District will hold Regular Meetings in the Conference Room at Becker Tree Farm located at 2400 SE Bridge Road, Hobe Sound, Florida 33455 at 9:30 a.m. on the following dates:

October 25, 2023  
November 15, 2023  
December 13, 2023  
January 24, 2024  
February 28, 2024  
March 27, 2024  
April 24, 2024  
May 22, 2024  
June 26, 2024  
July 24, 2024  
August 28, 2024  
September 25, 2024

The purpose of the meetings is to conduct any business coming before the Board. Meetings are open to the public and will be conducted in accordance with the provisions of Florida law. A copy of the Agenda for any of the meetings may be obtained from the Districts website or by contacting the District Manager at (561) 630-4922 and/or toll free at 1-877-737-4922 prior to the date of the particular meeting.

From time to time one or more Supervisors may participate by telephone; therefore a speaker telephone will be present at the meeting location so that Supervisors may be fully informed of the discussions taking place. Said meetings may be continued as found necessary to a time and place specified on the record.

If any person decides to appeal any decision made with respect to any matter considered at these meetings, such person will need a record of the proceedings and such person may need to insure that a verbatim record of the proceedings is made at his or her own expense and which record includes the testimony and evidence on which the appeal is based.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations or an interpreter to participate at any of these meetings should contact the District Manager at (561) 630-4922 and/or toll-free at 1-877-737-4922 at least seven (7) days prior to the date of the particular meeting.

Meetings may be cancelled from time to time without advertised notice.

HOBE-ST. LUCIE CONSERVANCY DISTRICT  
[www.hobestluciecd.org](http://www.hobestluciecd.org)  
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MINUTES OF THE BOARD OF SUPERVISORS MEETING  
OF HOBE-ST. LUCIE CONSERVANCY DISTRICT  
JULY 26, 2023

Pursuant to the above Notice, the Board of Supervisors of Hobe-St. Lucie Conservancy District held its Board of Supervisors Meeting on July 26, 2023 at 9:30 A.M. at the Becker Tree Farm & Nursery located at 2400 SE Bridge Road, Hobe Sound, Florida 33455.

Present were Rick Melchiori, Edward Weinberg and Robert Brown, Supervisors; Michael McElligott of Special District Services, Inc. as District Manager; Robert Higgins of Higgins Engineering, Inc. as District Engineer; and Mary M. Viator, Attorney and Secretary. Also in attendance was Mr. Ray Spears of The Grassroots Corp., Charles Armstrong of LMA Venture, and Mr. Jacques Mouracadeh of Coventry Development attending via telephone.

Representatives of SFWMD were in attendance which included the following:

Jennifer Leeds, Jeff Beck, Stephen Blair, Ray Palmer, Andrea Martinez.

CALL TO ORDER

The Board of Supervisors Meeting was called to order by President Melchiori.

ESTABLISHMENT OF QUORUM

The President announced a quorum was present and it was in order to transact any business to come before the Board.

ADDITIONS OR DELETIONS TO AGENDA

None.

COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

None.

APPROVAL OF MINUTES

A motion was made by Mr. Weinberg, seconded by Mr. Brown and unanimously passed approving the Minutes of the July 26, 2023 Board of Supervisors Board Meeting.

LOXAHATCHEE RIVER WATERSHED RESTORATION PROJECT– FLOW WAY 3/SOUTH FLORIDA WATER MANAGEMENT DISTRICT

The Board acknowledged the presence of SFWMD representatives in attendance to address the Loxahatchee River Watershed Restoration Project – Flow Way 3. The Board directed the Agenda to be amended to discuss the Agenda Items relating to the Project together.

1. Overview – Flow Way 3

Requested Field Activities Related to HSLCD Property

South Florida Water Management District (SFWMD) requests permission to access Hobe St. Lucie Conservancy District (HSLCD) property to complete data collection as part of the Loxahatchee River Watershed Restoration Project (LRWRP). The HSLCD is located within the Flow-Way 3 portion of the LRWRP, which covers southern Martin and northern Palm Beach Counties. A map of the LRWRP, as described in the January 2020 LRWRP Project Implementation Report (PIR) was presented.

Access is requested to the HSLCD property that borders SFWMD's Nine Gems tract in Pal-Mar East. The specific access route requested is depicted in Attachment 2. The proposed access route would provide ingress/egress for vehicles and equipment, such as pick-up trucks, ATVs, and a buggy mounted drill rig, which are needed to complete survey, geotech borings, and installation of hydrological monitoring equipment. Access would be limited to SFWMD staff and the companies listed below that will be performing the field investigations:

- WSP USA, Inc.
- Tomasello Engineering
- Whidden Survey
- South Florida Engineering and Consulting
- J&R Precision Drilling
- Tetra Tech

Survey and geotechnical field investigations were initiated at the eastern end of Flow-Way 3 in January 2023. Field work has now shifted towards the western end of Flow-Way 3 where HSLCD has land ownership interests. The locations of the geotechnical activities that are proposed on or near HSLCD property and a summary table of the work that is proposed (e.g., SPT borings and muck probes) were presented.

For contracting purposes, the Flow-Way 3 project features were split into 8 different design packages. Access to HSLCD property is needed to complete geotechnical field investigations for the following three design packages:

- Gulfstream West: Investigations include SPT borings along the eastern bank of the north-south HSLCD canal that borders SFWMD's Gulfstream West property. SPT borings will be completed to determine ground conditions within the vicinity of a proposed perimeter levee that will surround a shallow flow-through marsh, or impoundment, which is planned for the Gulfstream West property as part of the LRWRP. SPT borings will also be completed for a proposed pump station at the north end of the Gulfstream West property. The pump station would supply the flow-through marsh with surface water.
- Pal-Mar East North Ditch: Investigations include muck, probes and characterization of soil sediment at the bottom of the Pal-Mar East North Ditch
- Pal-Mar East South Ditch: Investigations include muck probes and characterization of soil/sediment at the bottom of the Pal-Mar East South Ditch. SPT borings will be completed for three proposed water control structures and two sets of existing culverts at the east end of the Pal-Mar East South Ditch. The SPT borings will be conducted to determine ground conditions within the vicinity of the proposed structures and existing culverts.

A total of 15 new hydrologic monitoring stations will be installed throughout Flow-Way 3 to support development and calibration of a surface water flow model that is being developed to refine the preliminary project designs that were presented in the January 2020 PIR for the LRWRP. Four of these monitoring stations are proposed on HSLCD property, two within the Pal-Mar North Ditch and two within the Pal-Mar South Ditch. The locations of the hydrological monitoring stations that are proposed within HSLCD canals were presented. Monitoring stations will consist of a driven steel rod with an affixed slotted PVC screen to act as a stilling well. A Level Troll data logger will be placed inside each stilling well. Data collection will be cloud based; however, equipment maintenance has been planned every 3 months. The instruments will monitor water levels for a period of 22 months.

SFWMD explained the purpose of the Flow-Way 3 Project was to improve water quality and protect the head-waters of the Loxahatchee River which includes Martin County and Palm Beach County. The LRWRP is described in the January 2020 LRWPR Project Implantation Report (PIR) and includes:

- a. Kitching Creek (Restoration/hydration): (Spreader Canal; weir/plug (Jenkins Ditch))
- b. Moonshine Creek (MC) & Gulfstream East (GE) Restoration: Connect HSLCD ditch to MC; clear MC vegetation; weir in Hobe Grove Ditch; grade area to historic

topography.

c. Cypress Creek Canal (CCC) (Reduce over-drainage): Replace CCC weir to raise control elevation, raise berm at Ranch Colony, automate twin 84” culverts; pump and spreader swale; regrade CC southern forks.

d. Gulfstream West (GW) (Restoration & reduce over-drainage): Partial backfill and relocate southern end of HSLCD canal; small pump, construct flow through marsh to attenuate flows.

e. Pal-Mar East (Restoration & Connectivity): Plug ditches; remove pipes; improve northern berm; construct western berm improve eastern berm; pumps at Thomas Farm to redirect drainage to GW flow-redirect drainage to GW flow-through marsh via north Nine Gems Canal.

2. SFWMD Access Permit for Geotech

Following discussion by the Board as to SFWMD’s request for an Access Permit for Geotech, the Board reviewed the requested back up information as to the specific locations of the Access Permit.

The Board discussed the Access Easement relating to Gulfstream West property and directed there be no business interruption along with the entrance road.

The Board approved the motion to approve the SFWMD Access Permit for Goetch, subject to Legal and engineering review, including follow up monitoring for 22 months, subject to field manager supervision and the SFWMD Contractor posting surety/performance bonds.

The Board requested SFWMD provide the January 2020 LRWRP Project Implementation Report (PIR) Link and the Flow-Way 3 portion of the LRWRP.

3. Consider Resolution No. 2023-04 – Designating Unit of Development No. 6

The District Manager stated a Request had been received from SFWMD to consider creating a New Unit of Development in a portion of the Balance of the District.

The Attorney explained the Procedures to Form a Unit of Development and Approval of the Water Control Plan.

The Board discussed the proposed boundaries of Unit No. 6 which included SFWMD lands and lands owned by TIFT and HSLCD. A legal description was needed along with authorization of all of the Landowners in the Unit be included in the Project, including TIFT and the HSLCD parcel.

The Board addressed the Landowners responsibility to provide the District's up from costs since the District has no ability to assess for the improvements until the Water Control Plan and Engineers Report are approved. These costs, however, are reimbursable to the Landowners once the approval of the Water Control Plan and Engineers Report are compiled.

The subject lands would be responsible for District administration costs. It was discussed that if the District Engineer was to be involved in the preparation of the Plan on behalf of SFWMD's, the costs of the District Engineer would need to be reimbursed by SFWMD.

The Board discussed continuing with the formation process but deferred actual consideration of Resolution No. 2023-04 – Designating Unit of Development No. 6 at this time until the outstanding issues were addressed.

#### OLD BUSINESS

1. Update Regarding RG Reserve Pipe Permit Application

The District Engineer indicated he had reached out to by the Consultant of RG Reserve who was putting together a plan for the Engineers review. The District Engineer indicated the need for RG Reserve to pay for the District's review and the adverse effects resulting from the



washout of the structure.

2. Update Regarding Howe Holdings Agreement

The District Engineer commented on Howe Holdings.

The District Engineer explained that Howe Holdings, had signed the Irrigation Agreement. He was awaiting the original executed agreement and he confirmed the parties were in agreement.

The District Manager indicated the Invoice had been sent to Howe Holdings and he was awaiting payment.

ADMINISTRATIVE MATTERS

1. District Engineer's Report

The District Engineer commented on the District's pump station and reviewed the remaining items on the CIP List.

Mr. Spears was directed to obtain a price for the improvements.

2. District Attorney's Report

Unit of Development 1 A: The Attorney requested ratification of the actions relating to the Unit formation and approval process for the Unit of Development 1A Water Control Plan and Engineer Report. The Attorney requested authorization to proceed with the Bond Validation process.

A motion was made by Mr. Brown, seconded by Mr. Weinberg, and unanimously passed ratify the actions relating to the Unit formation and the approval process for the Unit of Development 1A Water Control Plan and Engineers Report and further authorized proceeding with the Bond Validation process.

Mr. Melchiori and Mr. Weinberg announced a Conflict of Interest. Form 8B was filed in District Records.

The Attorney reminded the Supervisors to file their Financial Disclosure Form.

The Attorney reported on matters as they appeared on the Agenda.

3. Manager's Report

The District Manger reported on matter as they appeared on the Agenda.

The District Manager reported that at the Boards direction, he had sent a letter to Martin County notifying Martin County of their failure to pay their outstanding assessments to HSLCD. The assessments have not been paid for the last 3-4 years. There has been no response from Martin County.

4. Field Operations Report

Mr. Spears commented on field operations. The District needed to obtain a price for an alternate vendor to provide aquatic services.

SUPERVISOR COMMENTS

The Board indicated the desire to cooperate with SFWMD on the Loxahatchee River Watershed Restoration Project and to ensure the Landowners in the District are notified.

NEXT MEETING

The Board confirmed the August Board Meeting was scheduled for August 23, 2023, in the Becker Tree Farm Conference Room.

ADJOURN

There being no further business to come before the Board, the Meeting was adjourned.

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President

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Secretary

RESOLUTION NO. 2023-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF HOBE-ST. LUCIE CONSERVANCY DISTRICT AMENDING AND RESTATING IN ITS ENTIRETY RESOLUTION NO. 2022-06

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF HOBE-ST. LUCIE CONSERVANCY DISTRICT, THAT:

**Section 1.** Resolution No. 2022-06 of the Board of Supervisors of Hobe-St. Luci Conservancy District, adopted on June 22, 2022, is hereby amended and restated in its entirety to provide:

[Remainder of page is intentionally blank. The next page is the first page of amended and restated resolution No. 2022-06]

RESOLUTION NO. 2022-06

"A RESOLUTION OF THE BOARD OF SUPERVISORS OF HOBE-ST. LUCIE CONSERVANCY DISTRICT INITIALLY AUTHORIZING THE ISSUANCE IN ONE OR MORE SERIES OF NOT EXCEEDING \$227,353,500.00 BONDS OF SUCH DISTRICT TO FINANCE THE COST OF IMPROVEMENTS WITH RESPECT TO UNIT OF DEVELOPMENT NO. 1A OF THE DISTRICT; PROVIDING THAT SUCH BONDS SHALL BE PAYABLE SOLELY FROM DRAINAGE TAXES LEVIED BY THE DISTRICT ON THE LANDS WITHIN UNIT OF DEVELOPMENT NO. 1A, AND OTHER MONIES AS PROVIDED HEREIN; PROVIDING FOR THE RIGHTS, SECURITIES, AND REMEDIES FOR THE OWNERS OF SUCH BONDS; PROVIDING FOR THE CREATION OF SPECIAL FUNDS AND ACCOUNTS; APPOINTING A TRUSTEE; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF HOBE-ST. LUCIE CONSERVANCY DISTRICT, THAT:

ARTICLE I

STATUTORY AUTHORITY AND DEFINITIONS

Section 1.01. Authority for this Resolution. This Resolution is adopted pursuant to the authority of the Act.

Section 1.02. Definitions. The following words and phrases shall have the following meanings when used herein:

"Act" means Chapter 2005-339, Laws of Florida, as amended and supplemented from time to time, applicable provisions of Chapter 298, Florida Statutes, with respect to any Taxable Bonds, Part VII of Chapter 159, Florida Statutes and other applicable provisions of law.

"Benefit" has the meaning ascribed thereto in the Tax Resolution.

"Board" means the Board of Supervisors of the Issuer.

"Bond" or "Bonds" means the obligations of the Issuer authorized hereby.

"Bond Counsel" means an attorney at law or firm of lawyers acceptable to the Issuer and of recognized expertise in matters pertaining to the debt obligations issued by states and their political subdivisions, including the taxation of payments of interest thereon.

"Bond Fund" means the fund by that name established in Section 5.02 hereof.

"Bond Register" means the books for the registration of ownership of Bonds kept by the Trustee as agent of the Issuer pursuant to Section 2.08 hereof.

"Bond Year" means a one year period beginning on and including May 2 and ending on and including the next succeeding May 1, except that the first Bond Year shall begin on and include the date of issuance of the first series of Bonds and end on and include the next May 1.

"Business Day" means any day except any Saturday or Sunday or day on which the Principal Office of the Trustee is lawfully closed.

"Code" means the Internal Revenue Code of 1986, as amended, and any Treasury Regulations promulgated thereunder or applicable thereto.

"Cost" means to the extent permitted by law any obligation or expense incurred by the Issuer in connection with the acquisition, construction or reconstruction of any Project or Improvements thereon, including costs of issuing the Bonds.

"Cost of Issuance Fund" means the fund by that name established in Section 5.02 hereof.

"Disbursement Approval" means a written request of the Issuer for a disbursement from the Cost of Issuance Fund or Project Fund, as applicable, which request shall be substantially in the form attached hereto as Exhibit B.

"Drainage Taxes" means the special assessments levied and assessed by the Issuer in accordance with the Act upon the lands within the Unit pursuant to the Tax Resolution.

"Engineer's Report" means the Report of Engineer with respect to the Unit, approved by the Board by Resolution No. 2022-04, adopted June 22, 2022, as the same may be amended from time to time in accordance with the Act.

"Event of Default" means any material covenant, warranty or representation of the Issuer contained herein shall be breached or shall become untrue, including, but not limited to, failure to timely pay principal, premium, if any, and interest on the Bonds.

"Fiscal Year" means that period commencing on October 1 and continuing to and including the next succeeding September 30, or such other annual period as shall be prescribed as the fiscal year of the Issuer by law.

"Governmental Obligations" means direct general obligations of, or obligations the timely payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America and which are not redeemable or subject to prepayment prior to the stated maturity thereof by or at the direction of the obligor thereon.

"Improvements" means any and all streets and roads and other projects of the Issuer permitted under the Act and described in the Plan of Improvements.

"Insurer" means, if applicable, as to any series of Bonds, the "Insurer" identified therefor in the applicable Supplemental Resolution.

"Interest Payment Date" means as to each series of Bonds, each May 1 and November 1, commencing on such May 1 or November 1 as designated by a Supplemental Resolution adopted in connection with such series of Bonds.

"Issuer" means Hobe-St. Lucie Conservancy District, a water control district of the State pursuant to the Act, and its lawful successors.

"Issuer's Engineer" means the engineer or firm of engineers serving as the Issuer's general engineer in accordance with the Act.

"Issuer Representative" means, at any time, the person or persons at the time designated to act on behalf of the Issuer by written certificate furnished to the Trustee containing the specimen signatures of such persons and signed on behalf of the Issuer by the President.

"Issuer's Counsel" means the attorney or firm of attorneys as shall have been appointed by the Board and as shall be serving as general counsel to the Issuer.

"Mail" means mail by first-class postage prepaid or by a form of prepaid overnight delivery selected by the Trustee.

"Original Purchaser" means as to any series of Bonds, the Person or Persons identified as the Original Purchaser thereof in the applicable Supplemental Resolution.

"Outstanding Bonds" or "Bonds Outstanding" means all Bonds which have been authenticated and delivered by the Trustee under this Resolution, except:

- (i) Bonds canceled by the Trustee;
- (ii) Bonds paid or deemed to be paid pursuant to Article VII hereof;
- (iii) Bonds in lieu of which others have been authenticated under Sections 2.07 or 2.08 hereof; and
- (iv) Bonds for which irrevocable (including revocable notice which shall have become irrevocable) notice of redemption has been given and for which moneys have been deposited with the Trustee solely for payment of such Bonds.

"Owner" or "Owners" means the Person or Persons in whose name or names any Bonds shall be registered on the Bond Register.

"Person" means natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

"Plan of Improvements" means the Water Control Plan for the Unit approved by the Board by Resolution No. 2022-04, adopted June 22, 2022, as amended from time to time in accordance with the Act.

"President" means the President or Vice-President of the Board.

"Principal Office" means, with respect to the Issuer or the Trustee, the office of such Person located at the address specified in or pursuant to Section 10.04 of this Resolution, or in a

Supplemental Resolution, or such other address as may be designated in writing by any such Person to the other Person listed above.

"Project" means the construction of Improvements contemplated by the Plan of Improvements for which Drainage Taxes are to be levied against the lands within the Unit in accordance with the Act.

"Project Fund" means the fund by that name established in Section 5.02 hereof.

"Qualified Investments" means any investment permitted by State law, provided that the Trustee may assume that any investment directed by the Issuer in writing is permitted by applicable law.

"Record Date" means (i) with respect to any Interest Payment Date, the 15th day of the calendar month next preceding an Interest Payment Date, and (ii) with respect to Bonds that are to be called for redemption, the tenth Business Day preceding the day the notice of redemption is mailed.

"Reserve Fund" means the fund by that name established pursuant to Section 5.02 hereof.

"Reserve Fund Insurance Policy" shall mean an insurance policy or surety bond deposited in any account of the Reserve Fund in lieu of or in partial substitution for cash on deposit therein pursuant to Section 5.09 of the Bond Resolution.

"Reserve Fund Requirement" means, unless otherwise provided by Supplemental Resolution with respect to a series of Bonds, as to any series of Bonds secured by an account in the Reserve Fund, the lesser of (i) 10% of the original stated principal amount of such series of the Outstanding Bonds, (ii) the maximum amount of principal and interest scheduled to become due on the Outstanding Bonds of such series in the current or any succeeding one year period ending on and including a May 1, or (iii) 125% of the average annual debt service on such series of the Outstanding Bonds (calculated on a Bond Year basis at the time of issuance only). If a series of Bonds has more than a de minimis amount of original issue discount or premium (as defined in Treas. Reg. '1.148-1(b)), then the issue price (as defined in said regulation) of such series (net of any pre-issuance accrued interest) shall be used to measure the aforesaid 10% limitation in lieu of the stated principal amount of such series.

"Resolution" means this Resolution, pursuant to which the Bonds are authorized to be issued, including any Supplemental Resolutions.

"Secretary" means the designee of the Issuer duly appointed and serving as the Secretary or Assistant Secretary of the Board.

"State" means the State of Florida.

"Supervisor" means a member of the Board.

"Supplemental Resolution" means any resolution supplemental to this Resolution adopted by the Issuer in accordance with Article IX hereof.

"Tax Resolution" means Resolution No. 2022-05, adopted by the Issuer on June 22, 2022, levying special assessments upon the assessable land within the Unit, as such resolution may be amended from time to time.

"Taxable Bond" means any Bond other than a Tax-Exempt Bond.

"Tax Exempt Bond" means any Bond that at the time of issuance thereof was accompanied by an opinion of Bond Counsel to the effect that the interest thereon is excluded from gross income of the Owner thereof for federal income tax purposes.

"Trustee" means the Person appointed and serving as such in accordance with Article VIII of this Resolution.

"Trust Estate" means the Drainage Taxes and any amounts held in the funds and accounts hereunder, to the extent pledged to the Owners pursuant to Section 5.01 hereof.

"Unit" means Unit of Development No. 1A of the Issuer, established pursuant to Resolution No. 2021-06 adopted by the Board on August 4, 2021, as heretofore and as may hereafter be modified from time to time in accordance with the Act (including as approved and re-confirmed pursuant to Resolution No. 2022-02, adopted on April 27, 2022) .

Section 1.03. Resolution to Constitute a Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall be the Owners thereof from time to time, this Resolution shall constitute a contract between the Issuer, the Insurer, if any, and the Owners, and all covenants and agreements herein set forth to be performed by the Issuer shall be for the equal and ratable benefit and security of all of the Owners without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any other of the Bonds, except as expressly provided in or permitted by this Resolution.

[End of Article I]

## ARTICLE II

### THE BONDS

Section 2.01. Limitation on Issuance of Bonds. No obligations of the Issuer payable from or secured by Drainage Taxes may be issued except in accordance with the provisions of this Article II.

Section 2.02. Authorization of Bonds. Subject and pursuant to the provisions of this Resolution (including, particularly, Section 4.01 hereof), special obligations of the Issuer to be known as "Improvement Bonds, Unit of Development No. 1A," are hereby authorized to be issued in one or more series under and secured by this Resolution, in an aggregate principal amount not to exceed \$227,353,500.00 for the purpose of financing the Cost of the Project, and/or refunding any Bonds, including paying costs incidental to the issuance of such Bonds. The designation of Bonds issued for the purpose, in whole or in part, of refunding other obligations of the Issuer for the Unit shall include the word "Refunding." The designation of Taxable Bonds shall include the word "Taxable." The principal amount of Bonds issued may not exceed 90% of the Benefit. Bonds may be issued for the purpose of refunding previously issued Bonds, and in such event, for



purposes of calculating the foregoing limitations, the Bonds to be refunded shall not be taken into account except to the extent of the principal amount thereof paid, whether prior to or after the issuance of the refunding Bonds, from proceeds of the Drainage Taxes levied pursuant to the Tax Resolution.

All Bonds shall be on a parity with all other Bonds for all purposes of this Resolution, including the right to payment and lien on the Drainage Taxes and amounts in the funds and accounts established hereunder, except that any amounts in a separate account in the Bond Fund, Cost of Issuance Fund, Project Fund and/or Reserve Fund established in connection with a series of Bonds shall be subject to a lien and right to payment only in respect of such series of Bonds.

After the issuance of any Tax-Exempt Bonds, no other Bond shall be issued unless, in the opinion of Bond Counsel, the issuance of such Bonds will not result in the interest on any Tax-Exempt Bonds becoming includable in the gross income of the Owners thereof for federal income tax purposes.

Section 2.03. Description of Bonds; Medium of Payment. Each series of Bonds shall bear a series designation to distinguish it from all other series of Bonds, shall be dated, shall be stated to mature, subject to the right of prior optional or mandatory redemption, or both, if any, on such dates at annual intervals within forty years from its date of issuance, shall be in the principal amount, shall bear interest at such rate or rates not in excess of the maximum rate permitted by law, payable on such Interest Payment Dates, shall be in registered form, shall have such other details, and shall be sold in such manner to such purchasers upon the payment of such purchase price, all as shall be provided herein and in a Supplemental Resolution applicable to such series of Bonds. Unless otherwise provided in a Supplemental Resolution with respect to a series of Bonds, the Bonds shall be issued in the denomination of \$5,000 or any integral multiple in excess thereof.

The principal of, premium, if any, and the interest on the Bonds 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 2.04. Execution of Bonds. The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of the President and shall have impressed or imprinted thereon the official seal of the Issuer or a facsimile thereof, and be attested with the manual or facsimile signature of the Secretary or any Supervisor. All authorized facsimile signatures shall have the same force and effect as if manually signed. In case any Supervisor or officer whose manual or facsimile signature shall appear on the Bonds shall cease to be such Supervisor or 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 signatory had remained a Supervisor or such officer until delivery. Any Bond may be executed on behalf of the Issuer by a Supervisor who, at the time of execution is the proper person, although on the date of such Bond that person was not the proper person.

Section 2.05. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Resolution unless and until a certificate of authentication on such Bond has been duly executed on behalf of the Trustee by the manual or facsimile signature of its authorized signatory; such executed certificate of the Trustee upon any Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Resolution. The Trustee's certificate of authentication on any Bond shall be deemed to have been

executed by it if signed by an authorized signatory of the Trustee, but it shall not be necessary that the same signatory execute the certificate of authentication on all of the Bonds. At least one of the signatures on each Bond required by Section 2.04 or 2.05 hereof shall be a manual signature.

Section 2.06. Form of Bonds. The Bonds are to be in substantially the form set forth on Exhibit A attached hereto, with such variations, omissions and insertions as permitted or required by this Resolution or a Supplemental Resolution.

Section 2.07. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate a new Bond of the same series, of like date, interest rate, maturity and denomination to that of the mutilated, lost, stolen or destroyed Bond; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there first shall be furnished to the Issuer and the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee and not objected to by the Issuer, together with an indemnity satisfactory to the Trustee and not objected to by the Issuer. In the event any such Bond shall have matured or been called for redemption, instead of issuing a duplicate Bond, the Trustee, on behalf of the Issuer, may pay the same without surrender thereof, making such requirements as it deems fit for its protection and that of the Issuer, including the furnishing of evidence and indemnity the same as in the case of the issuance of a new Bond. The Issuer and the Trustee may charge the Owner of such Bond with their reasonable fees and expenses (including attorney's fees, costs and expenses, if any) for such service and any tax or other governmental charge in connection therewith.

Section 2.08. Registration and Exchange of Bonds; Persons Treated as Owners. So long as any of the Bonds shall remain unpaid, the Issuer will cause books for the registration and transfer of such Bonds to be maintained and kept at the Principal Office of the Trustee, acting, only for purposes of Treasury Regulation Section 5f.103-1(c)(1)(i), as agent of the Issuer. The Bonds shall be transferable only upon the Bond Register. Notwithstanding the foregoing, a Supplemental Resolution may authorize the issuance of Taxable Bonds in bearer form.

At reasonable times and under reasonable regulations established by the Trustee, the Bond Register with respect to a series of Bonds may be inspected and copied by the Issuer, the Insurer of such series, if any, or by any Owner (or a representative of one or more Owners) of ten percent or more in aggregate principal amount of Bonds of such series then Outstanding.

Bonds of any series may be exchanged, at the option of their Owner, for Bonds of any authorized denomination or denominations of the same series in an aggregate principal amount equal to the unmatured and unredeemed principal amount of, and bearing interest at the same rate and maturing on the same date or dates as, the Bonds being exchanged. The exchange shall be made upon presentation and surrender at the Principal Office of the Trustee of the Bond being exchanged, duly endorsed for exchange (or accompanied by an assignment duly executed) by the Owner or the Owner's attorney-in-fact duly authorized in writing.

Any Bond may be transferred upon presentation and surrender at the Principal Office of the Trustee of the Bond being transferred, duly endorsed for transfer (or accompanied by an assignment duly executed) by the Owner or the Owner's attorney-in-fact duly authorized in writing. Upon transfer of any Bond the Trustee shall deliver to the transferee a new Bond or Bonds of the same series registered in the name of the transferee, of any authorized denomination or

denominations in an aggregate principal amount equal to the unmatured and unredeemed principal amount of, and bearing interest at the same rate and maturing on the same date or dates as, the Bond presented and surrendered for transfer. Upon any transfer of Bonds not held in a book-entry only system, the transferor will provide or cause to be provided to the Trustee cost basis information necessary for the Trustee to comply any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

In all cases in which Bonds shall be exchanged or transferred hereunder, the Issuer shall execute, and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Resolution. In each case, the Issuer and the Trustee may require the payment by the Owner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer and such charge shall be paid before a new Bond is issued.

Neither the Issuer nor the Trustee shall be required to transfer or exchange any Bond of a series during the period beginning ten Business Days before the date of the mailing of a notice of redemption of Bonds of such series and ending at the close of business at the Principal Office of the Trustee on the day of such mailing, or to transfer or exchange any Bond called for redemption, in whole or in part.

Bonds delivered upon any transfer or exchange as provided herein, or in replacement of a lost, stolen, destroyed or mutilated Bond as provided in Section 2.07 hereof, shall be valid limited obligations of the Issuer, evidencing the same debt as the Bonds surrendered for transfer or exchange, mutilated, lost, stolen or destroyed, shall be secured by this Resolution and shall be entitled to all the security and benefits hereof to the same extent as the Bonds surrendered for transfer or exchange, mutilated, lost, stolen or destroyed, as the case may be.

The Person in whose name any Bond shall be registered on the Bond Register shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal, premium, if any, and interest on any Bond shall be made only to or upon the written order of the Owner or the Owner's duly authorized attorney-in-fact. 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 2.09. Destruction of Bonds. Whenever any Bond shall be delivered to the Trustee upon payment of the principal amount, in whole or in part, and premium, if any, and interest represented thereby, or for replacement pursuant to Sections 2.07 or 2.08 hereof, or otherwise for cancellation, such Bond shall be promptly canceled and cremated or otherwise destroyed, and a certificate of destruction evidencing such cremation or other destruction shall be retained by the Trustee and a copy thereof shall be forwarded to the Issuer upon request.

Section 2.10. Issuance of Bonds. Prior to the issuance of any series of the Bonds there shall be filed with the Trustee:

- (1) A copy, duly certified by the Secretary or a Supervisor, of this Resolution and the Supplemental Resolution or Resolutions adopted by the Issuer authorizing the issuance of such series of Bonds and fixing the details thereof;

(2) A request and authorization of the Issuer to the Trustee, signed by the President, to authenticate and deliver the Bonds to the Original Purchaser, upon payment to or for the account of the Issuer, of a sum specified in such request and authorization;

(3) A copy, duly certified as being in full force and effect by the Secretary or a Supervisor, of the Tax Resolution; and

(4) An opinion or opinions of Bond Counsel to the effect that the issuance of such Bonds is permitted hereby and by applicable law.

[End of Article II]

### ARTICLE III

#### REDEMPTION OF BONDS BEFORE MATURITY

Section 3.01. Authorization of Redemption Provisions. The Bonds may be subject to redemption prior to maturity in the manner and on such date or dates as specified by Supplemental Resolution(s).

Section 3.02. Notice of Redemption. Unless otherwise provided in a Supplemental Resolution for a series of Bonds, notice of the call for any redemption of Bonds shall be given by the Trustee by mailing a copy of a redemption notice by Mail, at least thirty days and not more than sixty days prior to the date fixed for redemption, to the Owner, as shown on the Bond Register at the close of business at the Principal Office of the Trustee on the Record Date, of each Bond to be redeemed in whole or in part at the address of such Owner shown on the Bond Register. No notice of the optional redemption of Bonds may be given unless funds for such redemption are irrevocably deposited with the Trustee prior to giving such notice or unless the notice expressly states that the redemption is subject to deposit of funds by the Issuer. The notice of redemption shall state:

- (i) the redemption date;
- (ii) the redemption price;
- (iii) the date of the notice of redemption;
- (iv) the series designation of the Bonds being redeemed;
- (v) if less than all Bonds of a series or maturity are to be redeemed, the distinctive numbers and letters, including CUSIP numbers, if any, of such Bonds to be redeemed;
- (vi) in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed;
- (vii) that on the redemption date the redemption price will become due and payable upon each such Bond or portion called for redemption, and that,

sufficient moneys being on hand with the Trustee and available to pay such redemption price, interest thereon shall cease to accrue from and after said date;

(viii) the place where such Bonds are to be surrendered for redemption, and giving the name, address, and telephone number of the Trustee and listing a contact person; and,

(ix) if any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall also state that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in a principal amount equal to the unredeemed portion of such Bond will be issued.

A notice of optional redemption may be conditioned upon the availability of funds to pay the redemption price of the Bonds to be redeemed on the redemption date, or to any other condition specified by the Issuer, and in such event, the notice of redemption shall expressly state that it is subject to such condition. In the event that a conditional notice of redemption is given and in the event that the condition is not satisfied, such Bonds shall continue to be Outstanding as if such notice had not been given. Provided, however, that in such event the Trustee shall on behalf of the Issuer mail a notice to the Owners of the Bonds subject to such conditional notice stating that the condition to the call was not satisfied and that the Bonds shall remain outstanding.

The failure to give such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Bond with respect to which no such failure has occurred. Any notice prepared and mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives the notice.

The Trustee shall send an additional copy of the redemption notice, by registered or certified mail, to any Owner of a Bond called for redemption in whole or in part which has not been presented for redemption by the sixtieth day after the redemption date, such notice to be sent by the Trustee at any time after the sixtieth day after the redemption date and before the ninetieth day after the redemption date. Failure of the Trustee to send any such additional notice shall not affect the validity of any proceedings for the redemption of Bonds.

Section 3.03. Redemption Payments. Upon the giving of notice of redemption in accordance with Section 3.02 hereof, the Bonds or portions thereof called for redemption shall become due and payable on the redemption date at the redemption price and, if the funds necessary to effect such redemption are on deposit with the Trustee and available therefor, such Bonds or portions thereof shall cease to bear interest from and after the redemption date; and such Bonds or portions thereof shall cease from and after the redemption date to be entitled to any benefit of or security under this Resolution, and the Owners thereof shall have no rights in respect of such Bonds or portions thereof except the right to receive payment of the redemption price thereof. If any Bond or portion thereof called for redemption shall not be paid at the redemption date or upon surrender thereof for redemption, whichever is the later to occur, because moneys necessary to effect such redemption are not on deposit with the Trustee and available therefor, such Bond shall continue to bear interest as if it had not been called for redemption.

All moneys deposited with the Trustee for the redemption of particular Bonds or portions thereof shall be held in trust for the account of the Owners thereof and not for any other Bonds, and shall be paid to such Owners, respectively, upon presentation and surrender of those Bonds.

Section 3.04. Partial Redemption of Bonds. Unless otherwise provided by Supplemental Resolution, in the case of any partial redemption of Bonds of a particular series and maturity or maturities the Trustee shall select from such series and maturity or maturities the Bonds or portions thereof to be redeemed by lot or in such other random manner as the Trustee in its discretion may deem proper and, for this purpose, each \$5,000 unit of principal amount represented by any Bond shall be considered a separate Bond for purposes of selecting the Bonds to be redeemed. In case a Bond is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, but Bonds shall be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. If it is determined that one or more, but not all, of the \$5,000 units of principal amount represented by any Bond is to be called for redemption, then, upon notice of intention to redeem such \$5,000 units of principal amount of such Bond, the Owner of such Bond shall surrender such Bond (at the place designated in the notice of redemption) for payment to such Owner of the redemption price of the principal amount of such Bond called for redemption. If the Owner of any Bond of a denomination greater than \$5,000 shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the \$5,000 units of principal amount called for redemption (and to that extent only).

Upon surrender of any Bond for redemption in part only, the Issuer shall execute and the Trustee shall authenticate and deliver or cause to be delivered to the Owner thereof, without charge, a new Bond or Bonds of the same series and the same interest rate and maturity, of authorized denominations, in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

Section 3.05. No Partial Redemption After Default. Anything in this Resolution to the contrary notwithstanding, if the payment of principal, premium, if any, or interest on the Bonds shall not be made when due and such default shall be continuing, there shall be no optional redemption of less than all of the Bonds Outstanding, unless such optional redemption shall cure such default.

[End of Article III]

## ARTICLE IV

### GENERAL COVENANTS OF ISSUER

Section 4.01. Levy of Drainage Taxes; Payment of Bonds. The Issuer will collect Drainage Taxes upon the lands within the Unit in accordance with the Act in amounts, subject to the limitations set forth herein and in the Act, sufficient, together with other legally available moneys of the Issuer, if any, to pay the principal of, premium, if any, and interest on the Bonds and to make any required deposits to the Reserve Fund as herein provided. The amount of Drainage Taxes, other than any portion thereof levied to pay interest on the Bonds, shall not exceed the benefits assessed against the lands in the Unit pursuant to the Act.

Section 4.02. Payment of Principal, Premium, if Any, and Interest; Limited Obligation. Subject to Section 4.01 hereof, the Issuer covenants that it will promptly pay the principal of, premium, if any, and interest on every Bond issued under this Resolution at the place, on the dates and in the manner provided herein and therein, provided that the principal of, premium, if any, and

interest on the Bonds are payable solely from the Trust Estate and nothing in the Bonds or in this Resolution shall be construed as pledging any other funds or assets of Issuer. Neither the State nor the Issuer nor any other political subdivision of the State shall in any event be liable for the payment of the principal of, premium, if any, and interest on any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by Issuer from any property other than the Trust Estate.

Section 4.03. Enforcement of Payment of Drainage Taxes. The Issuer will diligently and faithfully within the time required by law institute such actions to enforce the collection of all Drainage Taxes and any interest and penalties thereon in the manner provided by the Act. Any proceeds received by the Issuer (net of any costs of such action) from any action instituted to enforce the collection of any delinquent Drainage Taxes, including any proceeds from the sale of lands or tax certificates, shall be deposited into the Bond Fund and/or Reserve Fund as provided in Sections 5.07 and 5.09 hereof.

Section 4.04. Performance of Covenants. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution and in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Issuer covenants that it is duly authorized under the Constitution and laws of the State, including particularly and without limitation the Act, to issue the Bonds authorized hereby and to adopt this Resolution, and to pledge the Drainage Taxes and other amounts hereby pledged in the manner and to the extent herein set forth, that all action on its part for the adoption of this Resolution has been duly and effectively taken, and that the Bonds in the hands of the Owners will be valid and enforceable obligations of the Issuer according to the terms thereof and hereof.

Section 4.05. Instruments of Further Assurance. The Issuer will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, any such further reasonable acts, instruments and transfers as may be necessary for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Owners and the Trustee all and singular the amounts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds.

Section 4.06. Books and Records. The Issuer shall keep an accurate record of the levy and the collection of the Drainage Taxes which books, records and accounts shall be kept separate and apart from all other books, records and accounts of the Issuer. Such record shall be open to the inspection of the Owners and their agents and representatives at all reasonable times. At any and all reasonable times the Owners, and their duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all books and records of the Issuer pertaining to the Drainage Taxes and the Bonds, and to make such copies and memoranda from and with regard thereto as may be desired, in accordance with the provisions of the applicable public record laws of the State.

Section 4.07. Annual Audit. The Board shall, within one year after the end of each Fiscal Year, or such earlier date as may be required by law, cause the books, records and accounts relating to the Unit and the Bonds for the preceding Fiscal Year to be properly audited by an independent firm of certified public accountants. Such audits shall contain a complete report of operations of the Issuer and shall contain a certificate of the auditors disclosing any default on the part of the Issuer of any covenant herein that has been disclosed by reason of such audit, or stating that no

such default has been disclosed. A copy of such annual audit shall be furnished by the Issuer to each Insurer, if any, and, upon the payment of the cost of reproduction and mailing, to any Owner of any Bond who shall have requested in writing that a copy of such audit be furnished to such Owner.

Section 4.08. Compliance with Tax Requirements. The Issuer hereby covenants and agrees, for the benefit of the Owners from time to time of the Tax-Exempt Bonds, to comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Code to the extent necessary to preserve the exclusion of interest on the Tax-Exempt Bonds from gross income for federal income tax purposes. Specifically, without intending to limit in any way the generality of the foregoing, the Issuer covenants and agrees:

(1) to pay to the United States of America from, to the extent legally available, the funds and sources of revenues pledged to the payment of the Bonds, and from any other legally available funds, at the times required pursuant to Section 148(f) of the Code, the excess of the amount earned on all non-purpose investments (as defined in Section 148(f)(6) of the Code) (other than investments attributed to an excess described in this sentence) over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on the Tax-Exempt Bonds, plus any income attributable to such excess (the "Rebate Amount");

(2) to maintain and retain all records pertaining to and to be responsible for making or causing to be made all determinations and calculations of the Rebate Amount and required payments of the Rebate Amount as shall be necessary to comply with the Code;

(3) to refrain from using proceeds of the Bonds in a manner that would cause the Tax-Exempt Bonds or any of them, to be classified as private activity bonds under Section 141(a) of the Code; and

(4) to take any action, including the making of any "yield reduction payment" pursuant to Treas. Reg. Section 1.148-5(c), that would prevent the Tax-Exempt Bonds from becoming, and to refrain from taking any action that would cause the Tax-Exempt Bonds to become, arbitrage bonds under Section 103(b) and Section 148 of the Code.

The Issuer understands that the foregoing covenants impose continuing obligations on the Issuer to comply with the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of the Code so long as such requirements are applicable.

Notwithstanding any other provision of this Resolution, the Trust Estate may be used to satisfy the Issuer's obligations under this Section 4.08 provided that such use does not impair the Issuer's ability to pay the principal of, premium, if any, and interest on the Bonds as the same becomes due and payable.

Unless otherwise specified in a Supplemental Resolution, the Issuer shall designate a certified public accountant, Bond Counsel, or other professional consultant having the skill and expertise necessary (the "Rebate Analyst") to make any and all calculations required pursuant to



this Section regarding the Rebate Amount. Such calculation shall be made in the manner and at such times as specified in the Code. The Issuer shall engage and shall be responsible for paying the fees and expenses of the Rebate Analyst.

Section 4.09. Completion and Maintenance of Project. The Issuer will complete each Project with all reasonable dispatch in a sound and economical manner and will in accordance with the Act and the Plan of Improvements maintain each Project owned by it in good condition and state of repair. All Improvements financed in whole or in part with proceeds of Tax-Exempt Bonds will be owned by the Issuer or another political subdivision of the State and all Improvements shall be available for use by the general public on the same basis, subject only to conditions imposed by the Issuer or another political subdivision of the State as may be necessary to protect the health, safety and general welfare of the Unit and its inhabitants, visitors, property owners and workers or to protect such Improvements from damage, misuse, or destruction, unless the Issuer shall obtain an opinion of Bond Counsel that non-compliance with the foregoing will not in and of itself adversely affect any exclusion from gross income of the interest on such Tax-Exempt Bonds.

The Issuer shall observe and perform all of the terms and conditions contained in the Act, and shall comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Project.

Section 4.10. No Amendment of Plan of Improvements. The Issuer covenants that it will not amend the Plan of Improvements or Engineer's Report except in accordance with the Act and, except with respect to amendments which, in the opinion of the Issuer after consultation with the Issuer's Engineer, are of a nature that do not change the overall character or use of the Improvements, unless the Issuer shall first receive an opinion of Bond Counsel to the effect that any such amendment, and the completion of the Project as modified, if applicable, will not adversely affect the tax exempt status of any of the Tax-Exempt Bonds.

[End of Article IV]

## ARTICLE V

### REVENUES AND FUNDS

Section 5.01. Bonds Secured by Lien on Drainage Taxes. The Bonds shall be payable solely from and shall be secured solely by, and the Issuer hereby grants to the Owners, a lien on and pledge of the Drainage Taxes, and, subject to application thereof as provided herein, any amounts held in the funds and accounts established hereunder, provided, that, if so provided by the applicable Supplemental Resolution, any amounts on deposit in a separate account of the Bond Fund, Cost of Issuance Fund, Reserve Fund and/or Project Fund created in connection with a series of Bonds shall be subject to a lien in favor of and right to payment with respect to only such series of Bonds. The Issuer covenants that until all Outstanding Bonds together with any interest thereon shall have been paid or provision made for their payment it will not create or permit to be created any charge or lien on the Drainage Taxes or the funds and accounts created hereunder whether ranking prior to, equal with or subordinate to the charge or lien of the Bonds issued pursuant to this Resolution. The Bonds and the obligations evidenced thereby shall not be general obligations or indebtedness of the Issuer but shall be special obligations payable solely from the sources provided herein. No Owner shall ever have the right to compel the exercise of any taxing power of the Issuer to pay the Bonds or the interest thereon except as provided herein, or to make any other payments provided for in this Resolution, or be entitled to payment of such principal and interest from any funds other than those pledged herein for such purpose. The Bonds shall not constitute a lien upon any of the real or personal property of the Issuer other than the Trust Estate.

Section 5.02. Creation of Funds. Upon the issuance of the first series of Bonds there shall be created and established the following funds to be held by the Trustee in trust upon the terms and provisions hereof until such time as no Bonds are Outstanding (unless earlier closed in accordance herewith):

- (a) A Bond Fund;
- (b) A Project Fund;
- (c) A Reserve Fund; and
- (d) A Cost of Issuance Fund.

A separate account shall be created in each of the foregoing Funds in connection with each series of Bonds.

Section 5.03. Disposition of Bond Proceeds. Proceeds from the sale of any series of Bonds shall be applied pursuant to a Supplemental Resolution adopted prior to the issuance of such series of Bonds.

Section 5.04. Disbursements From and Records of Cost of Issuance Fund. Amounts shall be deposited in the accounts in the Cost of Issuance Fund pursuant to Supplemental Resolution(s). Amounts in an account in the Cost of Issuance Fund shall be used to pay the costs of issuance of the series of Bonds to which such account relates as the same shall be incurred. The Trustee shall make disbursements from the Cost of Issuance Fund only upon receipt of a Disbursement Approval signed by an Issuer Representative. Upon written certification to the Trustee by the Issuer that any

funds remaining in an account of the Cost of Issuance Fund are unnecessary for the purposes of such account, such funds shall be transferred first to the account in the Reserve Fund established in connection with the same series of Bonds to which the account in the Cost of Issuance Fund relates to the extent of any deficiency therein and then to the account in the Bond Fund established in connection with the same series of Bonds to which the account in the Cost of Issuance Fund relates, and such account in the Cost of Issuance Fund shall then be closed.

Section 5.05. Payments into Project Fund. Amounts shall be deposited in the accounts in the Project Fund pursuant to Supplemental Resolution(s).

Section 5.06. Disbursements from and Records of Project Fund; Completion Date.

(a) Monies in the Project Fund shall be used to pay the Cost of a Project as the same shall be incurred. Amounts in an account in the Project Fund shall be expended solely for the purposes described in the Supplemental Resolution that created such account.

(b) The Trustee shall make disbursements from the Project Fund only upon receipt of a Disbursement Approval signed by an Issuer Representative. The Issuer Representative shall not sign a Disbursement Approval except upon the approval of the Board. If so requested in writing by the Issuer, after the Project Fund or any account therein has been fully disbursed, the Trustee shall file copies of the records pertaining to the Project Fund and disbursements therefrom with the Issuer, provided that the Trustee shall keep such records until no Bonds remain Outstanding.

(c) The completion of a Project in accordance with the Plan of Improvements shall be determined by the Issuer's Engineer who shall indicate such fact in writing to the Issuer and the Trustee. Upon the completion of a Project and payment of all costs thereof that are to be paid from an account in the Project Fund, as provided herein, or upon a determination of the Issuer that no further Costs of such Project shall be paid from such account in the Project Fund, which determination shall be based in part upon a written opinion of Issuer's Counsel or Bond Counsel that such determination and the application of remaining amounts in such account in the Project Fund as hereafter set forth are permitted by the Act and do not legally impair the Issuer's ability to impose the Drainage Taxes, any unused proceeds of the Bonds remaining in such account in the Project Fund shall first be deposited in the account in the Reserve Fund established in connection with the same series of Bonds as to which such account in the Project Fund was established to the extent of any deficiency therein and any remaining amounts shall be deposited in the account in Bond Fund established in connection with the same series of Bonds as to which such account in the Project Fund was established and applied to the payment of Bonds of such series in accordance with Section 5.08 hereof. Any transfers from the Project Fund to the Reserve Fund and/or the Bond Fund as provided in this Section 5.06(c) shall be made by the Trustee only upon the written direction of the Issuer, upon which the Trustee may conclusively rely.

Section 5.07. Payments into Bond Fund. There shall be deposited to the credit of the Bond Fund such amount, if any, as may be set forth in the applicable Supplemental Resolution. The Issuer covenants and agrees to deposit to the credit of the various accounts in the Bond Fund, as and when received, all Drainage Tax proceeds, which amounts, together with other moneys on deposit therein, shall be sufficient to pay the principal, premium, if any, and interest on the Bonds as the same shall become due and payable whether at maturity or upon proceedings for mandatory or optional redemption.

Amounts deposited in the Bond Fund in any Bond Year shall be credited among the various accounts therein in the same proportion that the debt service coming due in such Bond Year on each of the various series of Bonds secured by such account bears to the total debt service coming due in such Bond Year on all Bonds. The Issuer shall instruct the Trustee in writing as to the application of each deposit made by the Issuer to the credit of the Bond Fund, and the Trustee may conclusively rely upon such direction.

The Issuer shall not be required to make any further payments into the Bond Fund when the aggregate amount on deposit therein and in the account in the Reserve Fund established in connection with the same series of Bonds as to which such account in the Bond Fund was established is at least equal to the total amount of principal, premium, if any, and interest due or to become due on the then Outstanding Bonds of the series as to which such account relates until their scheduled maturity or redemption.

Section 5.08. Payments from Bond Fund. Moneys in an account of the Bond Fund shall be used solely to pay principal, premium, if any, and interest on the Bonds outstanding of the series to which such account relates when due whether at maturity or upon mandatory or optional redemption. The Trustee shall, from time to time, as principal, premium, if any, and interest on the Bonds shall become due, withdraw from appropriate account(s) in the Bond Fund for payment to the Owners, such amounts as shall be due and payable. If on the fifth business day prior to an Interest Payment Date there shall be insufficient funds in the Bond Fund to pay debt service due on the Bonds on such Interest Payment Date, the Trustee shall, either by telephone or telefacsimile, notify the Issuer of the amount of such deficiency.

Section 5.09. Payments into Reserve Fund; Disbursements. There shall be deposited in an account in the Reserve Fund the amount, if any, set forth in a Supplemental Resolution. No further payments shall be required to be made into any account of the Reserve Fund as long as there shall be on deposit therein an amount equal to the Reserve Fund Requirement therefor. If at any time the amount on deposit in an account of the Reserve Fund is less than the Reserve Fund Requirement therefor, the Issuer may, but shall not be required to, restore such deficiency from legally available funds of the Issuer, otherwise such deficiency shall be subsequently restored from the first Drainage Tax proceeds available therefore after all required current payments pursuant to Section 5.07 hereof have been made in full, and the Issuer shall levy Drainage Taxes sufficient to restore such deficiency at the earliest legal opportunity. If at any time there shall be a deficiency in more than one account in the Reserve Fund, except as provided in Section 5.04 and 5.06 hereof, funds available for deposit to the Reserve Fund shall be allocated among the accounts as to which the deficiency exists pro-rata, based upon the relative deficiencies among all such accounts. If at the time of any valuation of amounts on deposit in the Reserve Fund pursuant to Section 6.01(c) hereof the amount on deposit in an account in the Reserve Fund exceeds the Reserve Fund Requirement therefor, the excess amount shall be deposited into the account of the Bond Fund established in connection with the same series of Bonds as to which account in the Reserve Fund was established and shall be credited against any future moneys required to be deposited in such account in the Bond Fund.

Moneys in an account of the Reserve Fund shall be used only for the purpose of making payments into the account of the Bond Fund established in connection with the same series of Bonds as to which account in the Reserve Fund was established to the extent the amounts otherwise therein are insufficient for the purposes established for such account and for no other purpose. If at any time there shall be insufficient funds in an account of the Bond Fund to fulfill the

requirements established for such account, the Trustee shall transfer from the account of the Reserve Fund established in connection with the same series of the Bonds as to which such account in Bond Fund was established and deposit into such account of the Bond Fund an amount equal to such deficiency.

The Issuer shall not be required to make any further payments into an account of the Reserve Fund when the aggregate amount on deposit therein and in the account of the Bond Fund established in connection with the same series of Bonds as to which account in the Reserve Fund was established is at least equal to the total amount of principal, premium, if any, and interest due or to become due on the then Outstanding Bonds of such series to which such account relates until their scheduled maturity or redemption.

Notwithstanding the foregoing provisions, with the written consent of each Insurer of Bonds secured thereby, in lieu of the required deposits into an account of the Reserve Fund, and/or in substitution for money on deposit in an account of the Reserve Fund, the Issuer may, at its sole option and discretion, cause to be deposited a Reserve Fund Insurance Policy in an amount equal to the difference between the Reserve Fund Requirement applicable thereto and the sums then on deposit in such account of the Reserve Fund, if any, and, in the case of a substitution of a Reserve Fund Insurance Policy for money on deposit in such account of the Reserve Fund, the Issuer may withdraw money from such account of the Reserve Fund in excess of the Reserve Fund Requirement and may use such money for any lawful purpose provided the Issuer first obtains an opinion of Bond Counsel that such use is permitted and will not, in and of itself, adversely affect the exclusion from gross income of interest on any Tax-Exempt Bonds. Such Reserve Fund Insurance Policy shall be payable to the Trustee for such Series (upon the giving of notice as required thereunder) on any interest payment or redemption 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.

If five days prior to an interest or principal payment or redemption date, the Issuer shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on Bonds on such date, the Issuer shall immediately notify (a) the issuer of the applicable Reserve Fund Insurance Policy, and (b) the Insurer, if any, of the amount of such deficiency and the date on which such payment is due, and shall take all action to cause such issuer or Insurer to provide moneys sufficient to pay all amounts due on such interest or principal payment or redemption date.

If a disbursement is made from a Reserve Fund Insurance Policy provided pursuant to this Section 5.09, the Issuer shall cause to be restored or reinstated the maximum limits of such Reserve Fund Insurance Policy following such disbursement from moneys becoming available in the applicable account of the Reserve Fund in accordance with the provisions of the first paragraph of this Section 5.09, by depositing funds in the amount of the disbursement made under such instrument with the issuer thereof. In addition, after the amount on deposit in the applicable account of the Reserve Fund equals the Reserve Fund Requirement therefor, the Issuer shall reimburse the issuer of the Reserve Fund Insurance Policy for interest and all reasonable expenses incurred by such issuer in connection with the draw on such Reserve Fund Insurance, as the case may be, if the Issuer is so obligated under the terms of the Reserve Fund Insurance Policy.

The Issuer may evidence its obligation to reimburse the issuer of any Reserve Fund Insurance Policy by executing and delivering to such issuer a promissory note or other written

evidence thereof, provided, however, any such note or written evidence (a) shall not be a general obligation of the Issuer the payment of which is secured by the full faith and credit or taxing power of the Issuer, and (b) shall be payable solely from moneys available in the applicable account of the Reserve Fund in accordance with the provisions of the first paragraph of this Section 5.09.

Section 5.10. Nonpresentment of Bonds; Disposition of Unclaimed Money. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity, or otherwise, if funds sufficient to pay any such Bond shall have been made available to the Trustee for the benefit of the Owner thereof, all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds, without liability for any subsequent interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on the part of such Owner under this Resolution or on, or with respect to, such Bond. Any moneys so deposited with and held by the Trustee for the payment of Bonds not so claimed within two years after the date the payment of such Bonds shall have become due, whether at maturity or otherwise, shall be presumed abandoned and shall be returned to the Issuer, and the Issuer shall comply with the provisions of Chapter 717, Florida Statutes, or any successor thereof, in respect of such moneys.

Section 5.11. Moneys To Be Held in Trust. Subject to the provisions hereof concerning amounts in accounts in the Bond Fund, Reserve Fund, Cost of Issuance Fund and Project Fund, all moneys required to be deposited with or paid to the Trustee for the account of any fund referred to in any provision of this Resolution shall be held by the Trustee in trust for the benefit of the Owners, and except for moneys deposited with or paid to the Trustee for the purchase of Bonds, notice of the purchase of which has been duly given, shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created hereby.

Section 5.12. Repayment to Issuer From Funds. Any amounts remaining in any accounts in the Bond Fund (except amounts held by the Trustee pursuant to Section 5.10 hereof), Project Fund (after the completion or abandonment of the Project pursuant to Section 5.06 hereof), Cost of Issuance Fund or Reserve Fund, after the payment in full of the principal of, premium, if any, and interest on the series of Bonds to which such accounts relate, the fees, charges and expenses of the Issuer and the Trustee and all other amounts required to be paid hereunder, shall be paid to the Issuer.

Section 5.13. Application of Funds Upon Refunding. Notwithstanding any other provision hereof, in the event of a refunding of Bonds of a series, amounts in the account of the Bond Fund for such series in excess of amounts needed to pay debt service on Outstanding Bonds of such series not being refunded, amounts in the account of the Reserve Fund for such series in excess of the Reserve Fund Requirement for the Outstanding Bonds of such series not being refunded and proceeds of such Bonds being refunded as are on deposit in a separate account in the Project Fund, may at the written direction of the Issuer be applied by the Issuer to the payment of the Bonds being refunded.

In addition to the foregoing, amounts on deposit in the Bond Fund, Reserve Fund and Project Fund, as aforesaid, may also be applied to such other use as directed by the Issuer in writing, provided that the Issuer shall have received an opinion of Bond Counsel to the effect that such use is permitted by the Act, and would not adversely affect the exclusion from gross income of interest on the Tax-Exempt Bonds.

[End of Article V]

## ARTICLE VI

### INVESTMENT OF MONEYS

#### Section 6.01. Investment of Moneys.

(a) Any moneys held as part of the Bond Fund, Project Fund, Cost of Issuance Fund or Reserve Fund shall be invested and reinvested by the Trustee, at the written direction of the Issuer in Qualified Investments maturing at such times and in such amounts as shall enable the Issuer to make timely payment of all amounts due hereunder. Any such Qualified Investments shall be held by or under the control of the Trustee. The Trustee shall sell and reduce to cash such Qualified Investments upon the written direction of the Issuer, but in any event at such times as are necessary to timely make all payments required hereunder. Investments and earnings and losses thereon in each fund and account hereunder shall be a part of such fund or account except as otherwise set forth herein.

(b) If the Issuer does not provide written directions to the Trustee for investment of funds in accordance with the requirements hereof, the Trustee shall hold such moneys uninvested and promptly request investment instructions from the Issuer. In making investments hereunder, or in selling or disposing of investments as required hereby, the Trustee shall be fully protected in relying solely upon the directions of the Issuer as aforesaid. The Trustee shall conclusively rely upon the Issuer's written instructions as to both the suitability and legality of all directed investments. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries and may charge its ordinary and customary fees for such investments. Under no circumstances whatsoever shall the Trustee be liable to the Issuer or any Owner for any loss of tax-exempt status of the Tax-Exempt Bonds, or any claims, demands, damages, liabilities, losses, costs or expenses resulting therefrom or in any way connected therewith, including for any losses on any investments, so long as the Trustee acts only in accordance with the directions of the Issuer as provided hereunder. Although the Issuer recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Issuer hereby agrees that broker confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered or made available by the Trustee.

(c) For the purpose of determining the amount on deposit in any Fund, investments therein shall be valued at fair market value. The Trustee shall value the amounts on deposit in the Bond Fund and the Reserve Fund (i) on August 1 (or if not a Business Day, the next succeeding Business Day) of each year after the payment of debt service on the Bonds due on such date, (ii) on the day after any withdrawal from the Reserve Fund, and (iii) on such other date or dates as the Issuer may direct in writing.

[End of Article VI]

## ARTICLE VII

## DISCHARGE OF LIEN

Section 7.01. Discharge of Lien. If the Issuer shall pay or cause to be paid to the Owners of the Bonds the principal of, premium, if any, and interest due or to become due on the Bonds at the times and in the manner stipulated therein and herein, and if the Issuer is not in default in any of the other covenants and promises in the Bonds and in this Resolution or any Supplemental Resolution expressed as to be kept, performed and observed by it or on its part, and if the Issuer shall pay or cause to be paid to the Trustee all sums of money due or to become due according to the provisions hereof, then these presents and the estate and rights hereby granted shall cease, determine and be void, whereupon the Trustee shall, upon written demand of the Issuer, execute and deliver to the Issuer such instruments in writing, if any, as shall be requisite to release the lien hereof, and reconvey, release, assign and deliver unto the Issuer any and all of the estate, right, title and interest in and to any and all rights or interests in property assigned or pledged to the Trustee or otherwise subject to the lien of this Resolution, except for amounts held by the Trustee for the payment of the principal of, premium, if any, and interest on the Bonds. Notwithstanding the foregoing, those provisions of this Resolution and any Supplemental Resolution relating to the maturity of the Bonds, interest payments and dates thereof, redemption provisions, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, non-presentment of Bonds, the holding of moneys in trust, and the duties of the Trustee in connection with all of the foregoing shall remain in full force and effect and shall be binding upon the Trustee and the Owners notwithstanding the release and discharge of the lien of this Resolution. Any written instrument as shall be requisite to release the lien of this Resolution as described in the first sentence hereof shall be prepared by the Issuer, at its expense, and provided to the Trustee for execution by the Trustee.

Any Bond shall be deemed to be paid within the meaning of this Article and for all purposes of this Resolution when (a) payment of the principal of and premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date is by reason of maturity or upon redemption as provided herein) either (i) shall have been made or caused to be made in accordance with the terms hereof, or (ii) shall have been provided for by irrevocably depositing with the Trustee, in trust and irrevocably setting aside exclusively for such payment (1) moneys sufficient to make such payment and/or (2) Governmental Obligations maturing as to principal, premium, if any, and interest in such amounts and at such times as will insure the availability of sufficient moneys to make such payment, and (b) all necessary and proper fees, compensation and expenses of Trustee pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, such Bond shall no longer be secured by or entitled to the benefits of this Resolution, except for the purposes of any such payment from such moneys or Governmental Obligations.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be accepted by the Trustee or deemed a payment of any such Bond as aforesaid until (I) proper and irrevocable notice is given by the Issuer to the Trustee to give proper notice of redemption of such Bond and to redeem such Bond in accordance with Article III of this Resolution, (II) in the event such Bond is not to be redeemed within the next succeeding sixty days, until the Issuer shall have given the Trustee on behalf of the Issuer, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Owner(s) of the Bond that the deposit required by (a)(ii) above has been made with the Trustee and that said Bond is



deemed to have been paid in accordance with this Article VII and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal of and the applicable redemption premium, if any, on said Bond, plus interest thereon to the due date thereof, and (III) the Trustee shall have received an opinion of Bond Counsel, addressed to at least the Issuer and Trustee, to the effect that such deposit and use will not in and of itself adversely affect the exclusion from gross income of the Owners for federal income tax purposes of the interest on any Tax-Exempt Bonds issued hereunder.

All moneys so deposited with the Trustee as provided in this Article may at the written direction of the Issuer be invested and reinvested in Governmental Obligations, maturing in the amounts and times as hereinbefore set forth. Notwithstanding any provision of any other Article of this Resolution which may be contrary to the provisions of this Article VII, all moneys or Governmental Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereof, if any) with respect to which such moneys and Governmental Obligations have been so set aside in trust, provided, that any amounts held by the Trustee pursuant to this Article VII which are not required for the payment of the principal, premium, if any, and interest thereon with respect to which such moneys shall have been so deposited shall be deposited in such account of the Bond Fund as designated by the Issuer as and when realized and collected for use and application as are other moneys deposited in such account of the Bond Fund, provided that if all the Bonds shall have been paid any such amounts shall be paid to the Issuer.

Anything in Article IX hereof to the contrary notwithstanding, if moneys or Governmental Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of Bonds and such Bonds shall not have in fact become due and payable, no amendment to the provisions of this Article shall be made without the consent of the Owner of each Bond affected thereby.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the second paragraph of this Section 7.01 shall be accepted by the Trustee or deemed a payment of Bonds as aforesaid until, in addition to the items required by the third paragraph of this Section 7.01, the Trustee shall have received (x) a report of an independent certified public accountant selected by the Issuer and approved in writing by the Insurer, if any, (unless the Insurer shall be in default in its payment obligations under the Insurance Policy), and addressed to at least the Trustee, and verifying the mathematical accuracy of calculations performed by or on behalf of the Issuer demonstrating the sufficiency of the Governmental Obligations and/or cash deposited with the Trustee to pay the principal of, premium, if any, and interest on the Bonds to their date of maturity or redemption as aforesaid and (y) an opinion of Bond Counsel addressed to at least the Issuer and the Trustee to the effect that all requirements hereof to the defeasance of such Bonds shall have been satisfied. The Trustee may conclusively rely upon such report as establishing the sufficiency of such investments and cash to make such payments.

[End of Article VII]

## ARTICLE VIII

### TRUSTEE

Section 8.01. Acceptance of Trusts. Prior to the issuance of Bonds hereunder the Issuer shall appoint as Trustee hereunder a financial institution with powers of a trust company within the State in good standing, authorized by law to perform the duties required of the Trustee hereunder and shall obtain a written acceptance of such Trustee of the duties, obligations and trusts imposed upon the Trustee by this Resolution.

Section 8.02. Certain Rights of the Trustee. The duties, obligations and trusts imposed upon the Trustee hereunder shall be subject to the following:

(a) The Trustee undertakes to perform such duties and only such duties of the Trustee as are specifically set forth in this Resolution and no implied duties or obligations shall be imposed against the Trustee.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents or receivers appointed with due care, and shall not be responsible for any negligence or willful misconduct on the part of any attorney, agent or receiver so appointed, and shall be entitled to advice of counsel concerning its duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Issuer) approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction in good faith in reliance upon such opinion or advice.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds (except with respect to the certificate of the Trustee endorsed on the Bonds), or for the validity of this Resolution or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, except as hereinafter set forth; but the Trustee may require of the Issuer full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the Trust Estate.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the Owner of Bonds secured hereby with the same rights which it would have if not the Trustee.

(e) The Trustee shall conclusively rely upon and shall be fully protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to conclusively rely upon a certificate signed by the Issuer Representative as sufficient evidence of the facts therein contained and shall also be at liberty to accept a similar certificate to the effect that

any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the officials of the Issuer who executed the Bonds (or their successors in office) under the seal of the Issuer to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

(g) The permissive right of the Trustee to do things enumerated in this Resolution shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(h) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(i) With respect to the withdrawal of any cash, the release of any property or any action whatsoever within the purview of this Resolution, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, deemed desirable by the Trustee provided that this subsection 8.02(i) shall not limit the obligation of the Trustee to comply with the provisions hereof, and in particular, those with respect to payment of the Bonds.

(j) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law.

(k) The Trustee shall not be liable for any error of judgment made by it in good faith unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(l) No provision of this Resolution shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the proper performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(m) The Trustee shall not be responsible or liable for any loss suffered in connection with any investment made in accordance herewith which is made at the instruction of the Issuer.

(n) The Trustee shall provide to any Owner, upon written request, upon payment of any reasonable fee, copies of any documents deposited with the Trustee by the Issuer pursuant to this Resolution.

(o) Before taking any action under this Resolution in connection with its duties, other than making payments of principal and interest on the Bonds as they become due, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all costs and expenses to which it may be put and to protect it against all liability, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or

hazardous substances and except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

(p) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(q) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Resolution arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(r) The Trustee shall have the right to accept and act upon directions or instructions, including funds transfer instructions (collectively, "Instructions"), given pursuant to this Resolution or any other document reasonably relating to the Bonds and delivered using Electronic Means (defined below); provided, however, that the Issuer shall provide to the Trustee an incumbency certificate identifying individuals with the authority to provide such directions or instructions (each an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Issuer understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that Instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Issuer shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Issuer and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such Instructions conflict or are inconsistent with a subsequent written direction or written instruction. The Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Trustee promptly upon learning of any compromise or unauthorized use of the security

procedures. "Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

Section 8.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees for services rendered hereunder and all advances, counsel fees, costs and expenses and other expenses reasonably made or incurred by the Trustee in connection with such services, and the Issuer agrees to pay such fees from legally available moneys of the Issuer, provided that the Issuer shall not be required to pay any counsel fees or other expenses incurred by the Trustee as a result of the Trustee's own negligence or willful misconduct.

To the extent provided by law, the Issuer hereby agrees to indemnify and hold harmless the Trustee and its officers, directors, and employees from and against any and all costs, claims, charges, liabilities, losses or damages whatsoever (including reasonable fees, costs and expenses of counsel, auditors or other experts), asserted or arising out of or in connection with the Trustee's duties under this Resolution, including the reasonable fees, costs and expenses of defending itself against any such claim or liability in connection with its exercise or performance of any of its duties hereunder and of enforcing this indemnification provision, but excluding costs, claims, liabilities, losses or damages to the extent resulting from the negligence or willful misconduct of the Trustee. The indemnifications set forth herein shall survive the discharge of the lien of this Resolution and/or the resignation or removal of the Trustee and shall inure to the benefit of the Trustee's successors and assigns.

Section 8.04. Successor Trustee. Subject to Section 8.01 hereof, any corporation or association into which the Trustee 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, shall be and become successor Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, 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 of the parties hereto, anything herein to the contrary notwithstanding. All covenants and stipulations herein shall inure to the benefit of and be available to the successors and assigns of Trustee.

Section 8.05. Resignation by Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving sixty days' written notice by registered or certified mail to the Issuer. In case at any time the Trustee shall resign and no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article VIII prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the resigning Trustee shall forthwith apply to a court of competent jurisdiction for the appointment of a successor Trustee. Such resignation shall only become effective upon the appointment of a successor Trustee.

Section 8.06. Removal of Trustee. The Trustee may be removed at any time by an instrument or concurrent instruments in writing signed by an authorized Issuer Representative and delivered to the Trustee, such removal to become effective only upon the appointment of a successor Trustee.

Section 8.07. Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Issuer. Every such Trustee appointed pursuant to the provisions of this Section shall be a financial institution with powers of a trust company within the State in good standing, authorized by law to perform the duties required of it hereunder.

Section 8.08. Acceptance by Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor. Such predecessor shall, nevertheless, on the written request of the Issuer, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder. Every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be in a form recordable under the laws of the State, and shall be filed or recorded by the successor Trustee in each recording office, if any, where this Resolution shall have been filed or recorded. The predecessor Trustee shall retain the right to any fee or charges due and owing to such predecessor Trustee.

Section 8.09. Appointment of Co-Trustee. It is the purpose of this Resolution that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as the Trustee in such jurisdiction. It is recognized that in case of litigation under this Resolution and in particular in case of the enforcement hereof upon default hereunder, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold the properties in trust as herein provided, or take any other action which may be desirable or necessary in connection therewith, the Trustee may upon notice to the Issuer appoint an individual or institution as a separate or Co-Trustee, in which event each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Resolution to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or Co-Trustee, but only to the extent necessary to enable such separate or Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or Co-Trustee shall run to and be enforceable by either of them. Every Co-Trustee appointed pursuant to this section shall be an individual or institution legally empowered to perform as such hereunder.

Should any deed, conveyance or instrument in writing from the Issuer be required by the separate or Co-Trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request, be executed, acknowledged and

delivered by the Issuer. In case any separate or Co-Trustee, or a successor thereto, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate or Co-Trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate or Co-Trustee.

Section 8.10. Accounting by Trustee. Upon written request of the Issuer, the Trustee shall render a full accounting of any funds held by it from time to time pursuant to this Resolution.

Section 8.11. Responsibilities of Trustee - Default. The Trustee is not required or authorized by this Resolution to take any action in the event that the Issuer defaults in the payment of the Bonds or fails to fulfill any other covenant or condition required of the Issuer or imposed upon the Issuer by the Resolution, except as expressly set forth in this Resolution or a Supplemental Resolution. This Section 8.11 may not be amended without the prior written consent of the Trustee.

[End of Article VIII]

## ARTICLE IX

### SUPPLEMENTAL RESOLUTIONS

Section 9.01. Limitations. Prior to the issuance of Bonds hereunder, this Resolution may be amended, revised or revoked, in whole or in part, by subsequent resolution of the Issuer. This Resolution shall not be modified or amended in any respect subsequent to the issuance of Bonds hereunder except as provided in and in accordance with this Article IX.

Section 9.02. Supplemental Resolutions Not Requiring Consent of Owners. After the issuance of Bonds hereunder, the Issuer may, without consent of or notice to any Owner, enact one or more Supplemental Resolutions for any one or more of the following purposes:

- (a) To cure any ambiguity or formal defect or omission in this Resolution;
- (b) To grant to or confer upon the Owners or the Trustee for the benefit of the Owners any additional rights, remedies, powers or authorities that may lawfully be granted to or conferred upon the Owners or the Trustee;
- (c) To subject to this Resolution additional revenues, properties or collateral or to add to the covenants and agreements of the Issuer herein set forth other covenants and agreements hereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer;
- (d) To modify, amend or supplement this Resolution or any Supplemental Resolution in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, or to permit the qualification of the Bonds for sale under the securities laws of any of the states or of the United States of America, or to achieve compliance of the Bonds with applicable federal tax law;

(e) In connection with any other change herein which, in the judgment of the Issuer, is not materially adverse to the Trustee or the Owners;

(f) To provide for the issuance of additional series of Bonds.

Section 9.03. Supplemental Resolutions Requiring Consent of Owners. Exclusive of Supplemental Resolutions permitted by Section 9.02 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Owners of more than fifty percent in aggregate principal amount of the Outstanding Bonds shall have the right, from time to time, anything contained in this Resolution other than in this Article IX to the contrary notwithstanding, to consent to and approve the adoption by the Issuer of such other Supplemental Resolutions as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution or in any Supplemental Resolution; provided, however, that nothing in this Article IX shall permit, or be construed as permitting, without the written consent of the Owners of all Bonds Outstanding, (a) an extension of the maturity of the principal of, or the interest on, any Bond issued hereunder, or (b) a reduction in the principal amount of, or premium on, any Bond or the rate of interest thereon, or (c) a privilege or priority of any Bonds over any other Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolutions, or (e) the creation of any lien ranking prior to or on a parity with the lien of the Bonds on the Trust Estate or any part thereof, except as hereinbefore expressly permitted, or (f) the deprivation of the Owner of any Outstanding Bond of the lien hereby created on the Trust Estate.

If at any time the Issuer shall determine that it is desirable to adopt any such Supplemental Resolution for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Resolution to be given by Mail to each Owner. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives the notice. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the Principal Office of the Trustee for inspection by all Owners. If the Owners of more than the required percentage in aggregate principal amount of the Bonds Outstanding shall have in writing consented to and approved the adoption thereof as herein provided (which consent and approval shall, if given, be irrevocable), no Owner shall have any right 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 Trustee or the Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the adoption of any such Supplemental Resolution as in this Section permitted and provided, this Resolution shall be and be deemed to be modified and amended in accordance therewith. A Supplemental Resolution may be adopted by the Issuer prior to obtaining the requisite consent of Owners provided that the effectiveness of such Supplemental Resolution is conditioned upon the obtaining of such consent.

Section 9.04. Required Opinion of Bond Counsel. The Issuer shall not enter into or consent to any Supplemental Resolution unless the Issuer and Trustee have received an opinion of Bond Counsel to the effect that such action is permitted hereunder and will not impair the exclusion of the interest on the Tax-Exempt Bonds from gross income for federal income tax purposes. The Issuer and the Trustee may rely upon an opinion of Bond Counsel to the effect that any such Supplemental Resolution is permitted by the provisions of this Article IX.



[End of Article IX]

## ARTICLE X

### MISCELLANEOUS

Section 10.01. Consents of Owners. Any consent, request, direction, approval, objection or other instrument required by this Resolution to be signed and executed by the Owners may be in any number of concurrent documents and may be executed by such Owners in person or by an attorney-in-fact duly appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the written appointment of any such attorney-in-fact or of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Resolution, and shall be conclusive in favor of the Trustee and Issuer with regard to any action taken by either of them under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same shall be proved by the Bond Register.

Section 10.02. Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Bonds is intended or shall be construed to give to any Person other than the Issuer, the Insurer, if any, the Trustee and the Owners, any legal or equitable right, remedy or claim under or with respect to this Resolution or any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Insurer, if any, the Trustee, and the Owners.

Section 10.03. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 10.04. Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by telegram addressed as follows:

If to the Issuer:

Hobe-St. Lucie Conservancy District  
c/o Special District Services, Inc.  
The Oaks Center  
2501A Burns Road  
Palm Beach Gardens, FL 33410

If to the Trustee, at the address thereof designated in a Supplemental Resolution or in a written certificate delivered to the Issuer. The Issuer and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent by a written certificate delivered to each other.

Section 10.05. Holidays. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds is not a Business Day, then payment of principal, premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the date of maturity or the date fixed for redemption.

Section 10.06. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State, without regard to conflict of laws principles.

Section 10.07. Rules of Interpretation. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

Section 10.08. Captions. The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 10.09. Limited Liability of Issuer. It is hereby expressly made a condition of this Resolution and of the Bonds that any agreements or representations herein or therein contained or contained in the documents and instruments executed in connection therewith do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the Issuer and in the event of a breach of any agreement, covenant or representation, no personal or pecuniary liability or charge payable directly or indirectly from the general revenues of the Issuer shall arise therefrom. Nothing contained in this Section 10.09, however, shall relieve the Issuer from the observance and performance of the several covenants and agreements on its part herein contained.

Section 10.10. Members, Officers, Employees and Agents of the Issuer Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Resolution or for any claim based thereon or otherwise in respect thereof, shall be had against any Supervisor of the Issuer, or any officer, agent, or employee, as such, of the Issuer past, present or future, either directly or through the Issuer whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly understood (a) that the obligation of the Issuer under this Resolution is solely a corporate one,

limited as provided in the preceding Section 10.09, (b) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the Supervisors of the Issuer, or the officers, agents, or employees, as such, of the Issuer, or any of them, under or by reason of the obligations, covenants or agreements contained in this Resolution or implied therefrom, and (c) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such Supervisor of the Issuer, and every officer, agent, or employee, as such, of the Issuer under or by reason of the obligations, covenants or agreements contained in this Resolution, or implied therefrom, are hereby expressly waived and released as a condition of, and as a consideration for, the execution of this Resolution on the part of the Issuer.

Section 10.11. Rule 15c2-12. The Executive Director of the Issuer or the President are severally authorized to "deem final" for purposes of Securities and Exchange Commission Rule 15c2-12, a preliminary official statement for any series of the Bonds.

Section 10.12. Validation. Caldwell Pacetti Edwards Schoech & Viator, LLP, the attorneys for the Issuer, are authorized and directed to commence a proceeding for the validation for the Bonds.

Section 10.13. Repealer. All resolutions or parts thereof in conflict herewith are hereby repealed.

Section 10.14. Effective Date. This Resolution shall take effect immediately upon its adoption."

EXHIBIT A-- FORM OF THE BONDS

No. R-\_\_

\$ \_\_, \_\_, \_\_.00

HOBE-ST. LUCIE CONSERVANCY DISTRICT

IMPROVEMENT [REFUNDING] BONDS

UNIT OF DEVELOPMENT NO. 1A

[TAXABLE] SERIES 20\_\_

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
_____%	August 1, 20__	_____, 20__	____

Registered Owner:

Principal Amount:

KNOW ALL MEN BY THESE PRESENTS that Hobe-St. Lucie Conservancy District (the "District"), a water control district of the State of Florida 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 the registered owner hereof, or registered assigns, on the maturity date set forth above, upon surrender hereof at the Principal Office of \_\_\_\_\_, as Trustee (the "Trustee"), the principal sum stated above (such principal amount to be repaid in accordance with the Resolution (as defined hereinafter)), and in like manner to pay interest on said sum until payment thereof has been made or duly provided for at the rate per annum set forth above based on a 360-day year consisting of twelve 30-day months from the Dated Date hereof, unless this bond (this "Bond") is issued in exchange or for transfer on or after an Interest Payment Date, in which case interest shall be payable from the next preceding Interest Payment Date unless this Bond is authenticated on an Interest Payment Date, in which case interest shall be payable from such date of authentication, provided that if this Bond is issued in exchange or for transfer after a Record Date, as hereinafter defined, and before the next succeeding Interest Payment Date, interest shall be payable from such next succeeding Interest Payment Date, provided, further, if interest on this Bond shall be in default when issued in exchange or for transfer, interest shall be payable from the date to which interest is paid in full, or if no interest has ever been paid on this Bond, from the date hereof. Such interest is due and payable on \_\_\_\_\_ 1, 20\_\_ on which date the interest accruing from \_\_\_\_\_, 20\_\_ to and including \_\_\_\_\_, 20\_\_ shall be paid, and thereafter on each February 1 and August 1 (the "Interest Payment Date"), for the period beginning on the preceding Interest Payment Date and ending on and including the day preceding such Interest Payment Date. Payment of interest on this Bond shall be made to such person as is the registered Owner hereof on the Record Date and shall be paid by check or draft mailed on the Interest Payment Date to such Owner at the Owner's address as it appears on the registration books of the District or at such other address or in such other manner as is agreed upon by the Trustee and such registered Owner. The "Record Date" for payments of interest on this Bond is the fifteenth day of the calendar month next preceding an Interest Payment Date.

Principal of and interest on this Bond are payable in lawful money of the United States of America.

This Bond is one of an authorized issue of \$\_\_\_\_\_ principal amount of Hobe-St. Lucie Conservancy District Improvement [Refunding] Bonds, Unit of Development No. 1A, Series \_\_\_\_ (the "Bonds"), issued for the primary purpose of [providing funds to pay costs of improvements related to the District's Unit of Development No. 1A] [refunding the District's Improvement [Refunding] Bonds, Unit of Development No. 1A, Series \_\_\_\_][maturing in the years \_\_\_\_\_] [and paying necessary expenses incidental thereto].

The Bonds are issued pursuant to Chapter 2005-339, Laws of Florida, as amended, Chapter 298, Florida Statutes, and under and are equally and ratably secured by and entitled to the protection of Resolution No. 2022-06 adopted by the Board of Supervisors of the District on June 22, 2022, as from time to time amended and supplemented (herein referred to as the "Resolution"), and are subject to all the terms and conditions of the Resolution.

This Bond is secured by a lien upon and pledge of Drainage Taxes levied by the District upon lands within Unit of Development No. 1A of the District and upon amounts held by the Trustee in certain funds and accounts established pursuant to the Resolution.

[Insert redemption provisions]

Copies of the Resolution are on file at the Principal Office of the Trustee, and reference is hereby made to the Resolution for a description of the property pledged and assigned to payment of the Bonds, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the District, the Trustee and the Owners of the Bonds, and the terms upon which the Bonds are issued and secured. Each Owner by acceptance hereof accepts and consents to all provisions of the Resolution. All terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in the Resolution.

This Bond may be exchanged or transferred by the registered Owner hereof or by such Owner's attorney-in-fact duly authorized in writing at the Principal Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender of this Bond. Upon such transfer, a new Bond or Bonds of the same maturity and interest rate and of authorized denomination or denominations for the proper principal amount, will be issued to the transferee in exchange therefor.

The person in whose name this Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal, premium, if any, and interest on this Bond shall be made only to or upon the written order of the Owner or his duly authorized attorney-in-fact but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon this Bond to the extent of the sum or sums so paid.

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Nineteenth Judicial Circuit of Florida, in and for Martin County, Florida rendered on \_\_\_\_\_, 202\_.

THIS BOND AND THE INTEREST HEREON DOES NOT AND SHALL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION BUT SHALL BE PAYABLE SOLELY FROM THE MONEYS AND SOURCES PLEDGED THEREFOR. NEITHER THE FULL FAITH AND CREDIT NOR ANY AD VALOREM TAXING POWER OF THE DISTRICT, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THIS BOND OR OTHER COSTS INCIDENTAL HERETO.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Resolution 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 and the issue of which it forms a part, together with all other obligations of the District, does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution until the certificate of authentication hereon shall have been executed by the Trustee.

IN WITNESS WHEREOF, Hobe-St. Lucie Conservancy District has caused this Bond to be executed in its name by the manual signature of its President and attested by the manual signature of its Secretary, and its seal to be impressed hereon, all as of

HOBE-ST. LUCIE CONSERVANCY DISTRICT

[SEAL]

By: \_\_\_\_\_  
President

Attest:

By: \_\_\_\_\_  
Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution.

Date Authenticated: \_\_\_\_\_, \_\_\_\_\_

[Name of Trustee],  
as Trustee

By: \_\_\_\_\_  
Authorized Signatory

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s) unto

\_\_\_\_\_  
\_\_\_\_\_

PLEASE INSERT SOCIAL SECURITY OR OTHER  
IDENTIFYING NUMBER OF TRANSFEREE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing  
\_\_\_\_\_, Attorney to transfer said Bond  
on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

(Signature of Registered Owner)

NOTICE: The signature above must  
correspond with the name of the Registered  
Owner as it appears on the front of this Bond  
in every particular, without alternation or  
enlargement or any change whatsoever.

Signature Guaranteed:

NOTICE: Signature(s) must be  
guaranteed by an Eligible Guarantor  
Institution such as a Commercial Bank,  
Trust Company, Securities Broker/  
Dealer, Credit Union or Savings  
Association, who is a member of a  
medallion program approved by the  
Securities Transfer Association, Inc.

EXHIBIT B

FORM OF DISBURSEMENT APPROVAL

[TRUSTEE]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: [Corporate Trust Department]

Re: \$\_\_\_\_\_Hobe-St. Lucie Conservancy District, Improvement [Refunding] Bonds,  
Unit of Development No. 1A, Series \_\_\_ (the "Bonds")

Pursuant to the provisions of Section [5.04 or 5.06] of the General Bond Resolution No. 2022-06 of Hobe-St. Lucie Conservancy District (the "Issuer") adopted June 22, 2022, as may be amended, supplemented and restated (the "Resolution"), you are hereby requested and directed to disburse from the [Cost of Issuance Fund or (\_\_\_Account in the) Project Fund] referred to in the Resolution the amounts indicated below. Capitalized terms used herein not otherwise defined herein shall have the meanings ascribed thereto in the Resolution.

The undersigned hereby certifies:

1. This is Disbursement Approval number \_\_\_\_.
2. The name and address of the person(s), firm(s), or corporation(s) to whom the disbursement(s) is (are) due is (are), and the amount(s) thereof is (are) as follow(s):

(a)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

HOBE-ST. LUCIE CONSERVANCY DISTRICT

By: \_\_\_\_\_  
Issuer Representative

Date \_\_\_\_\_

\_\_\_\_\_  
End of Amended and Restated Resolution No. 2022-06



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

Passed and approved this 25<sup>th</sup> day of October, 2023.

(SEAL)

President, Board of Supervisors

Attest:

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---

Secretary, Board of Supervisors

## **RESOLUTION 2023-06**

A RESOLUTION OF THE BOARD OF SUPERVISORS OF HOBE-ST. LUCIE CONSERVANCY DISTRICT AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$72,000,000.00 AGGREGATE PRINCIPAL AMOUNT OF THE DISTRICT'S IMPROVEMENT BONDS, UNIT OF DEVELOPMENT NO. 1A, SERIES 2023; PROVIDING A METHOD TO DETERMINE THE PRINCIPAL AMOUNT, INTEREST RATES, MATURITY SCHEDULE AND REDEMPTION PROVISIONS FOR SUCH SERIES 2023 BONDS; PROVIDING A METHOD FOR AWARDING THE SALE OF SERIES 2023 BONDS TO THE UNDERWRITER AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH; AUTHORIZING THE PREPARATION AND USE OF A PRELIMINARY LIMITED OFFERING MEMORANDUM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM AND A BOND PURCHASE AGREEMENT; APPOINTING A TRUSTEE FOR THE SERIES 2023 BONDS; SUPPLEMENTING CERTAIN PROVISIONS OF RESOLUTION NO. 2022-06 OF THE DISTRICT; AUTHORIZING AND DIRECTING CERTAIN OFFICIALS OF THE DISTRICT TO TAKE ALL ACTION REQUIRED IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2023 BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2023 BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on June 22, 2022, the Board of Supervisors (the "Board") of Hobe-St. Lucie Conservancy District (the "Issuer") adopted Resolution No. 2022-06, a General Bond Resolution (as amended and restated by Resolution 2023-\_\_\_, adopted October 25, 2023, the "Bond Resolution") authorizing the issuance in one or more series of not to exceed \$227,353,500.00 aggregate principal amount of Improvement Bonds, Unit of Development No. 1A of the Issuer; and

WHEREAS, pursuant to the Bond Resolution, prior to the issuance of a series of Bonds thereunder there is to be adopted by the Issuer a Supplemental Resolution or Resolutions authorizing the issuance of such series of Bonds and fixing the details thereof; and

WHEREAS, the Issuer has determined to authorize its Improvement Bonds, Unit of Development No. 1A, Series 2023 (the "Series 2023 Bonds") under the Bond Resolution in the aggregate principal amount of not to exceed \$72,000,000.00, as further provided herein, in order to provide financing of the Project (as defined in the Bond Resolution); and

WHEREAS, the Issuer expects to receive an offer to purchase the Series 2023 Bonds from MBS Capital Markets, LLC (the "Underwriter") in the form of a Bond Purchase Agreement (the

"Bond Purchase Agreement") among the Issuer, the Underwriter and Discovery Hobe Sound Investors, LLC (referred to herein as the "Landowner"); and

WHEREAS, the Issuer desires to authorize the sale of the Series 2023 Bonds to the Underwriter pursuant to the terms and provisions of the Bond Purchase Agreement (as completed pursuant to the authority hereinafter granted); and

WHEREAS, it is necessary and desirable to authorize the preparation and utilization of a Preliminary Limited Offering Memorandum and to authorize the preparation, execution and delivery of a Limited Offering Memorandum in connection with the issuance of the Series 2023 Bonds; and

WHEREAS, it is necessary and desirable to delegate to certain officials of the Issuer the authority to specify the amount, the date, the interest rates, maturity dates, and prepayment or redemption provisions for the Series 2023 Bonds; and

WHEREAS, the issuance of the Series 2023 Bonds and their sale to the Underwriter will, in the judgment of the Issuer, serve a public purpose and in all respects conform to the provisions and requirements of the Act.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Hobe-St. Lucie Conservancy District that:

Section 1. Authority for this Resolution; Definitions. This Resolution is adopted pursuant to the provisions of the Act and the Bond Resolution. Terms used herein and not otherwise defined herein shall have the meanings ascribed thereto by the Bond Resolution.

Section 2. Authorization of Bonds. The Series 2023 Bonds are hereby authorized to be issued under and pursuant to Section 2.02 of the Bond Resolution in the aggregate principal amount of not to exceed \$72,000,000.00.

Section 3. Terms of the Series 2023 Bonds.

(a) Amounts, Maturities, Interest Rates. The Series 2023 Bonds shall be issued in denominations of \$5,000 and integral multiples thereof, shall be numbered consecutively from R-1 upward, and shall be in the form of the Bond attached to the Bond Resolution as Exhibit A, with such changes as may be approved by the hereinafter specified delegated officers of the Issuer executing the Series 2023 Bonds, such execution to be conclusive evidence of such approval. The Series 2023 Bonds shall be issued on such date, shall be dated such date, and shall bear interest from such date, payable on the first day of May and November of each year (the "Interest Payment Dates"), commencing on such date, shall be issued in an aggregate principal amount not to exceed the amount described in Section 2 hereof, shall bear interest at the rates per annum, computed on the basis of a 360-day year consisting of twelve thirty day months, shall be subject to optional and or mandatory redemption and shall mature on May 1 of the years, as to be set forth in a certificate in the form attached hereto as Exhibit A (the "Certificate Establishing the Bond Terms") completed and signed by the President, and in the absence or inability to act of the President, any other

member of the Board, all of whom are hereby specified as the District's delegated officers, provided, however, that the interest rate on the Series 2023 Bonds shall not exceed the maximum lawful rate and the final maturity date of the Series 2023 Bonds shall not be later than May 1, 2064. The President, and in the absence of the President, any other member of the Board, are, jointly and severally, authorized to determine the details of the Series 2023 Bonds within the parameters set forth above, and upon such determination to execute the Certificate Establishing the Bond Terms, appropriately modified and completed with the details of the Series 2023 Bonds, thereby conclusively establishing such details.

Series 2023 Bonds issued in exchange for or upon the registration of transfer of any Series 2023 Bonds on or after the first Interest Payment Date thereon shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless the date of such authentication shall be an Interest Payment Date to which interest on the Series 2023 Bonds has been paid in full or duly provided for, in which case such Series 2023 Bonds shall bear interest from such Interest Payment Date, provided that any Series 2023 Bond issued in exchange for or upon the transfer of any Series 2023 Bond on or after a Record Date and before the Interest Payment Date next succeeding such Record Date shall bear interest from such Interest Payment Date; provided further that if, as shown by the records of the Trustee, interest on the Series 2023 Bonds shall be in default, a Series 2023 Bond issued in exchange for or upon the registration of transfer of a Series 2023 Bond shall bear interest from the date to which accrued interest has been paid in full on such Series 2023 Bond, or if no interest has been paid on the Series 2023 Bonds, from the dated date of such Series 2023 Bonds.

On each Interest Payment Date, interest accruing on the Series 2023 Bonds from and including the preceding Interest Payment Date (or the dated date of the Series 2023 Bonds, as the case may be), to but not including such Interest Payment Date shall be due and payable. Interest will be paid by check or draft mailed on the Interest Payment Date by the Trustee to the registered Owners as of the close of business at the Principal Office of the Trustee on the Record Date; provided, however, that upon the written request of and at the expense of any Owner of at least \$1,000,000 principal amount of Series 2023 Bonds (or of all Series 2023 Bonds if less than \$1,000,000 shall be unpaid), interest will be paid to such Owner by wire transfer to a bank account specified in such written request. Principal, and premium, if any, of Series 2023 Bonds is payable when due upon presentation and surrender of Series 2023 Bonds at the Principal Office of the Trustee.

(b) Reserve Fund Requirement. The Reserve Fund Requirement for the Series 2023 Bonds shall be as set forth in the completed and executed Certificate Establishing the Bond Terms for the Series 2023 Bonds.

(c) Change of Series Designation. If the Series 2023 Bonds are not issued in 2023, the series designation of such Bonds may be changed to set forth the year in which they are issued, in which case all references herein to "Series 2023 Bonds" shall, without further action, be deemed to refer to the year in which such Bonds are issued.

Section 4. Continuing Disclosure. The Issuer agrees, in accordance with the provisions of, and to the degree necessary to comply with, the secondary market disclosure requirements of

Securities and Exchange Commission Rule 15c2-12 (the "Rule"), to file with the MSRB (hereinafter defined) in an electronic format and with such identifying information as prescribed by the MSRB:

(a) the following annual financial information and operating data (the "Annual Information"), commencing with the Fiscal Year ended September 30, 2023:

(i) Updates of the financial information and operating data of the type set forth in the final Limited Offering Memorandum for the Series 2023 Bonds, including updates of the historical assessment levy, collection and delinquency rates and assessed valuation data, in a form which is generally consistent with the presentation of such information in the final Limited Offering Memorandum for the Series 2023 Bonds; and

(ii) Audited financial statements with respect to the Issuer utilizing generally accepted accounting principles for local governments.

The information in clauses (i) and (ii) above will be available for each Fiscal Year on or prior to the next April 1 following the end of such Fiscal Year, and will be made available, in addition to the MSRB, to each Owner and beneficial owner of the Series 2023 Bonds who requests such information in writing (the District may assume that any person purporting to be an Owner or beneficial owner is an Owner or a beneficial owner for the purpose of this sentence). The financial statements referred to in clause (ii) above may be made available separately from the information in clause (i) above and will be provided by the Issuer as soon as practical after acceptance of such statements from the auditors by the Issuer, but by no later than June 30; if not available within one year after the end of the Fiscal Year, unaudited information will be provided in accordance with the time frame set forth above and audited financial statements will be provided as soon after such time as they become available;

(b) in a timely manner not in excess of ten Business Days after the event, notice of occurrence of any of the following events with respect to the Series 2023 Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) 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 Series 2023 Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of holders of the Series 2023 Bonds, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;

(x) release, substitution or sale of any property securing repayment of the Series 2023 Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership, or similar proceeding of the Issuer. For purposes of this clause (xii), any such event shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer 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 Issuer, or if such jurisdiction has been assumed by leaving the existing governing 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 Issuer;

(xiii) mergers, consolidations, or acquisitions of the Issuer, the sale of all or substantially all of the assets of the Issuer, 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;

(xiv) appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent, if material;

(xv) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties;

(c) in a timely manner, to the MSRB, notice of its failure to provide the Annual Information with respect to itself on or prior to September 30 following the end of the preceding Fiscal Year.

For purposes of this Section 4, the term "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

For purposes of this Section 4, "MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

The foregoing covenants of this Section 4 shall run to the benefit of the Owners and the beneficial owners of Series 2023 Bonds owned in book-entry format. However, failure to meet the covenants set forth in this Section 4 shall not be deemed to constitute an Event of Default or a breach of any other covenant under this Resolution or the Bond Resolution, and the sole remedy for such a default or breach shall be as described in the next paragraph.

Any Owner or any beneficial owner may either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights granted or contained in this Section 4 and may enforce and compel the performance of all duties required by this Section 4 to be performed by the Issuer or by any officers thereof.

Notwithstanding any other provision of this Resolution or the Bond Resolution, this Section 4 may be amended only as follows: (a) the amendment 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 by the Issuer; (b) the provisions of this Section 4, as so amended, would have complied with the requirements of Rule 15c2-12 of the Securities and Exchange Commission as in effect as of the date of issuance of the Series 2023 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) the amendment does not materially impair the interest of the Owners and/or beneficial owners as determined by an opinion of Bond Counsel delivered to the Issuer, or by approving vote of the Owners or beneficial owners of a majority in principal amount of the Outstanding Series 2023 Bonds at the time of the amendment. In the event of any amendment hereto, the annual financial information provided subsequent to such amendment shall explain, in narrative form, the reasons for the amendment and the impact of the change, if any, in the type of operating data or financial information being provided by the Issuer. If the amendment affects the accounting principles to be followed in preparing financial statements of the Issuer, the annual financial information for the year in which the change is made must present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison must include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Issuer to meet its obligations. To the extent reasonably feasible, the comparison should also be quantitative. A notice of the change in the accounting principles must be sent to the MSRB.

Section 5. Trustee. The Bank of New York Mellon Trust Company, N.A. is appointed as the Trustee for the Bonds, and the proposal of the Trustee submitted before this meeting is accepted. The President, and in the absence or inability to act of the President, any other member of the Board, are, jointly and severally, authorized and directed for and in the name of the Issuer to execute and deliver a Trustee Agreement (the "Trustee Agreement") between the Issuer and the Trustee, in such form as shall be approved by the official executing the same consistent with this Resolution and the terms of the Act, with such execution to constitute conclusive evidence of such approval.

Section 6. Authority to Award the Series 2023 Bonds. The Issuer hereby determines that a negotiated sale of the Series 2023 Bonds is in the best interest of the Issuer and the citizens and inhabitants of the Issuer by reason of the volatility of the market for bonds such as the Series 2023 Bonds.

Upon establishment of the terms of the Series 2023 Bonds pursuant to Section 3 hereof, the President, and in the absence or inability to act of the President, any other member of the Board, are, jointly and severally, authorized to award the Series 2023 Bonds to the Underwriter at a price

of not less than 98.75% of the par amount of the Series 2023 Bonds, exclusive of any original issue discount or original issue premium. The Underwriter must limit the initial offering of the Series 2023 Bonds to Accredited Investors (as defined in Regulation D (17 C.F.R 230.501) of the Securities and Exchange Commission). Upon the award of the sale of the Series 2023 Bonds to the Underwriter, the President, and in the absence or inability to act of the President, any other member of the Board, are, jointly and severally, authorized and directed for and in the name of the Issuer to execute and deliver the Bond Purchase Agreement among the Issuer, the Landowner and the Underwriter, in such form as shall be approved by the official executing the same consistent with this Resolution and the terms of the Act, with such execution to constitute conclusive evidence of such approval by the Issuer, provided that the Bond Purchase Agreement shall include the agreement of the Underwriter to limit the initial offering of the Series 2023 Bonds to Accredited Investors as aforesaid. Prior to the execution by the Issuer of the Bond Purchase Agreement, the Underwriter shall have filed with the Issuer the disclosure statement required by Section 218.385(6), Florida Statutes, and the competitive bidding for the Series 2023 Bonds is hereby waived pursuant to the authority of Section 218.385(1), Florida Statutes.

Section 7. Preliminary and Final Limited Offering Memorandums. The Issuer hereby authorizes the President to approve the final form of a Preliminary Limited Offering Memorandum for the Series 2023 Bonds and to "deem final" the Preliminary Limited Offering Memorandum for purposes of Securities and Exchange Commission Rule 15c2-12, and upon such deeming, authorizes the utilization of the Preliminary Limited Offering Memorandum in connection with the offering of the Series 2023 Bonds. The Issuer hereby authorizes the preparation of a final Limited Offering Memorandum relating to the Series 2023 Bonds, which shall be in the form of the Preliminary Limited Offering Memorandum with such changes, alterations and corrections therein as may be approved by the delegated officer of the Issuer executing the same, with such approval to be conclusively established by such execution, and the President, and in the absence or inability to act of the President, any other member of the Board, are hereby authorized and directed for and in the name of the Issuer to execute and deliver the Limited Offering Memorandum, as hereby authorized.

Section 8. Application of Bond Proceeds; Costs of Issuance. The proceeds from the sale of the Series 2023 Bonds shall be applied for deposit to the funds and accounts established pursuant to the Bond Resolution, and shall be used to pay such costs of issuance of the Series 2023 Bonds, all as provided in the Certificate Establishing the Bond Terms, appropriately completed for the Series 2023 Bonds, and the President, and in the absence or inability to act of the President, any other member of the Board, are authorized and directed to conclusively establish such application of the proceeds from the sale of the Series 2023 Bonds by signing the Certificate Establishing the Bond Terms.

Section 9. Execution and Delivery of the Bonds. The President and Secretary are hereby authorized and directed on behalf of the Issuer to execute the Series 2023 Bonds as provided in the Bond Resolution and this Resolution, and such officials are hereby authorized and directed upon the execution of the Series 2023 Bonds in the form and manner set forth in this Resolution and in the Bond Resolution to deliver the Series 2023 Bonds in the amount authorized to be issued hereunder to the Trustee for authentication and delivery to or upon the order of the Underwriter



upon payment of the purchase price set forth in the Certificate Establishing the Bond Terms for the Series 2023 Bonds as completed pursuant to the provisions of this Resolution.

Section 10. Authorizations. The Supervisors and Secretary of the Issuer are hereby jointly and severally authorized to do all acts and things required of them by this Resolution, the Bond Resolution and the Bond Purchase Agreement, or desirable or consistent with the requirements hereof or thereof, for the full, punctual and complete performance of all terms, covenants and agreements contained in the Series 2023 Bonds, the Bond Resolution, this Resolution, the Trust Agreement and the Bond Purchase Agreement. Any and all Supervisors are hereby authorized to execute, publish, file and record such other documents, instruments, notices, and records and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution and the Bond Resolution.

Section 11. Resolution to Constitute a Contract. In consideration of the purchase and acceptance of the Series 2023 Bonds authorized to be issued hereunder by those who shall be the Owners thereof from time to time, this resolution shall constitute a contract between the Issuer and such Owners, and all covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit and security of all of the Owners.

Section 12. No Implied Beneficiary. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Series 2023 Bonds is intended or shall be construed to give any person other than the Issuer, the Trustee, the Underwriter and the Owners, any legal or equitable right, remedy or claim under or with respect to this Resolution, or any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Trustee, the Underwriter and the Owners.

Section 13. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatsoever, unless the same shall materially and adversely affect the obligations of the Issuer otherwise set forth herein.

Section 14. Repealer. All resolutions or parts thereof of the Issuer in conflict with the provisions herein contained are, to the extent of any such conflict, hereby superseded and repealed.

Section 15. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED this 25<sup>th</sup> day of October, 2023.

---

President, Board of Supervisors

(SEAL)  
Attest:

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Secretary, Board of Supervisors

EXHIBIT A

CERTIFICATE ESTABLISHING TERMS OF THE SERIES 2023 BONDS

I. (a) Issue Date:

(b) Amounts, Maturities and Interest Rates:

<u>Amount</u>	<u>Maturity</u> <u>(May 1)</u>	<u>Interest Rate</u>
---------------	-----------------------------------	----------------------

(c) Optional Redemption. The Series 2023 Bonds are not subject to redemption at the option of the Issuer prior to May 1, \_\_\_\_, except as described below. The Series 2023 Bonds are subject to redemption prior to maturity at the option of the Issuer, in whole or in part, on any date on or after May 1, \_\_\_\_ at the redemption price equal to the principal amount being redeemed, plus accrued interest thereon to the date of redemption.

(d) Extraordinary Optional Redemption at Par. In the event there are funds in the Series 2023 Account of the Project Fund upon completion of the Improvements, or which the District in its sole discretion at any time determines are not necessary or desirable for completion of the Improvements, the Trustee shall, at the direction of the District, first deposit such funds in the Series 2023 Account of the Reserve Fund to the extent of any deficiency therein, and any remaining amount shall be deposited in the Series 2023 Account of the Bond Fund and used to pay debt service on the Series 2023 Bonds, and may at the option of the District be used to redeem Series 2023 Bonds, prior to maturity, in whole or in part at any time, at a price equal to the principal amount thereof plus accrued interest to the date of redemption. The Series 2023 Bonds to be redeemed pursuant to such redemption will be selected from each maturity of the Series 2023 Bonds on a reasonably proportionate basis, based upon the ratio of the outstanding principal amount of each such maturity to the outstanding principal amount of all Series 2023 Bonds.

(e) Mandatory Redemption of Term Bonds. The Series 2023 Bonds maturing on May 1, \_\_\_\_ shall be subject to mandatory redemption (except for the final installment due at maturity, which is not a redemption) in part by the Issuer at a redemption price equal to the unpaid principal amount thereof plus accrued interest thereon to the redemption date, on May 1 in the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amount</u>
*	\$
<hr style="width: 20%; margin: 0 auto;"/>	
*Maturity	

The Series 2023 Bonds maturing on May 1, \_\_\_\_\_ shall be subject to mandatory redemption (except for the final installment due at maturity, which is not a redemption) in part by the Issuer at a redemption price equal to the unpaid principal amount thereof plus accrued interest thereon to the redemption date, on May 1 in the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amount</u>
*	\$
<hr/>	
*Maturity	

If as of any date the Issuer shall have discharged, whether through purchase for cancellation, redemption or otherwise, Series 2023 Bonds of a maturity in excess of the aggregate mandatory redemption requirements to but not including such date, such excess of Series 2023 Bonds of such maturity so discharged and not previously applied as a credit as described in this paragraph shall be credited over such of the remaining mandatory redemption dates for such Series 2023 Bonds as the Issuer shall determine, and shall reduce the amount of such Series 2023 Bonds of such maturity otherwise subject to mandatory redemption on such date(s). Provided, however, that no such excess shall be credited to the amount of Series 2023 Bonds subject to mandatory redemption on a particular May 1 after the selection of Series 2023 Bonds to be redeemed on such date has been made.

(f) Sale Price to Underwriter: \$\_\_\_\_\_ (par, minus underwriter's discount of \$\_\_\_\_\_, minus original issue discount of \$\_\_\_\_\_ plus original issue premium of \$\_\_\_\_\_).

(g) Application of Proceeds of Series 2023 Bonds:

Deposit to Series 2023 Account of Bond Fund -	\$ _____
Deposit to Series 2023 Account of Reserve Fund -	\$ _____
Deposit to Series 2023 Account of Project Fund -	\$ _____
Deposit to Series 2023 Account of Cost of Issuance Fund -	\$ _____

(h) Costs of Issuance to be paid from the Series 2023 Account of Cost of Issuance Fund:

# Hobe-St. Lucie Conservancy District

\$50mm Assessment Bonds

August 30, 2023 (Revised September 22, 2023)

**Fee Schedule for the following:**

- Trustee
- Paying Agent
- Registrar

**Presented By:**

BNY Mellon Corporate Trust

CORPORATE TRUST



## Fee Schedule

Subject to the Terms and Conditions below, upon appointment of **The Bank of New York Mellon Trust Company, N.A.** (“BNYM” or “us” or “affiliates” or “subsidiaries”) in the roles as outlined within this Fee Schedule (this “Fee Schedule”), **Hobe-St. Lucie Conservancy District** (“you”) shall be responsible for the payment of the fees, expenses and charges as set forth herein and shall remain responsible notwithstanding that an affiliated or sponsored legal entity executes the transaction documents.

### General Fees

#### **Acceptance Fee** **\$1,000**

The Transaction Acceptance Fee is payable at the time of the execution of the governing documents in connection with the closing of the transaction which is the subject of this Agreement (the “**Transaction**”), and compensates BNYM for the following: review of all supporting documents, initial establishment of the required accounts and Know Your Customer checks.

#### **Annual Fee–Trustee** **\$3,300**

An annual fee covering the duties and responsibilities related to account administration. This fee is payable in advance for the year and shall not be prorated.

#### **Investment Agreement – Annual Fee, Per Agreement (if applicable)** **\$1,000**

An annual fee for ongoing administration of each Investment Agreement, Repurchase Agreement or Forward Purchase Agreement. BNYM will further assess a one time fee of \$500 covering the review and negotiation of each agreement. The fees and expenses incurred by BNYM's Counsel in connection with its review and negotiation of each agreement will additionally be billed at the actual amount of fees and expenses charged by Counsel.

#### **Internal Counsel Fees, (if applicable)** **\$1,500**

If a legal opinion is to be provided by BNYM internal counsel, Customer will be charged the amount quoted and such amount will be payable upon the closing of the Transaction. In the event that the Transaction is terminated prior to closing, Customer will remain responsible for charges for BNYM counsel time incurred up to and including the termination date.

### Activity Fees (if applicable)

#### **Disbursements Fee, Per Disbursement** **\$35**

Notes:

Wires and Checks

#### **Trade Fees, Per Trade** **\$35**

Notes:

Purchases and Sells

### Additional Fees

#### **Extraordinary Services / Miscellaneous Fees**

The charges for performing extraordinary or other services not contemplated at the time of the execution of the Transaction Documents or not specifically covered elsewhere in this schedule will be commensurate with the service to be provided and may be charged in BNY Mellon's sole discretion. If it is contemplated that BNY Mellon hold/and or value collateral, additional acceptance, administration and counsel review fees will be applicable to the agreement governing such services. If the bonds are converted to certificated form, additional annual fees will be charged for any applicable tender agent and/or registrar/paying agent services. Additional

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information will be provided at such time. If all outstanding bonds of a series are defeased or redeemed, or BNY Mellon is removed as paying agent prior to the maturity of the bonds, a termination fee may be assessed at that time.

Miscellaneous fees and expenses may include, but are not necessarily limited to supplemental agreements, tender processing, the preparation and distribution of sinking fund redemption notices, optional redemptions, failed remarketing processing, preparation of special or interim reports, UCC filing fees, auditor confirmation fees, wire transfer fees, Letter of Credit drawdown fees, transaction fees to settle third-party trades, and reconciliation fees to balance trust account balances to third-party investment provider statements. Counsel, accountants, special agents and others will be charged at the actual amount of fees and expenses billed. FDIC or other governmental charges will be passed along as incurred.

You agree to reimburse BNYM for extraordinary expenses incurred by it in connection with the Transaction to the extent permitted by law.

Unless specifically listed in this Fee Schedule, the fees, expenses and disbursements of BNYM legal counsel are not included in the charges listed above.

### **Out-of-Pocket Expenses**

Fees quoted in this Fee Schedule are solely for the provision of the services listed in this Fee Schedule, and any Out-of-Pocket Expenses are payable in addition to the fees quoted in this Fee Schedule. Reimbursement will be required for any Out-of-Pocket Expenses and will be charged to you at the actual cost to BNYM plus any applicable taxes.

### **Advance Fees**

BNYM requires that you agree to the fees quoted in this Fee Schedule prior to the commencement of any work or the provision of any services by BNYM in relation to the Transaction. In the event that BNYM provides any services to you prior to your agreement to the fees quoted herein, the commencement of such work or the provision of such services shall not be deemed to constitute a waiver of the fees listed in this Fee Schedule. BNYM reserves the right to cease providing services until such time as you agree to the fees quoted herein. BNYM reserves the right to request that any and all fees due and payable pursuant to this Fee Schedule and related in any way to the Transaction are paid in advance (either in whole or in part) prior to the provision of any services.

### **Investment Compensation**

With respect to investments in money market mutual funds for which BNYM provides shareholder services, BNYM (or its affiliates) may receive fees from the mutual funds (or their affiliates) for shareholder services as set forth in the Authorization and Direction to Invest Cash Balances in Money Market Mutual Funds or other similar fees described in the fund prospectus.

### **Default Administration**

If an event of default occurs under the Transaction Documents, the services of each employee of BNYM administering such default will be charged at the prevailing hourly rate for default administration services as set out from time to time. In addition, all of BNYM's costs and expenses including but not limited to any legal costs, travel costs and applicable taxes shall be charged to you in accordance with the Transaction Documents.

### **Negative Interest Rates – Charges**

With respect to any funds invested or deposited by BNYM in connection with the Transaction, if: (i) any recognized overnight benchmark rate or any official overnight interest rate set by a central bank or other monetary authority is negative or zero; or (ii) any market counterparty or other institution applies a negative interest rate or any related charge to any account or balance of BNYM or any account or balance opened for You by BNYM, BNYM may apply a charge to any of Your accounts or balances. BNYM will give You prompt written notice of the application of any such charges. You acknowledge and agree that the application of such a charge by BNYM may cause the effective interest rate applicable to Your account or balance to be negative, notwithstanding that one or more of the rates set by third parties specified in clauses (i) and (ii) above may be positive.

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## Terms and Conditions

### General

BNYM's final acceptance of its appointment pursuant to the Transaction Documents is subject to the full review and approval of all related documentation, financials and standard Know Your Customer procedures.

Please note the fees quoted in this Fee Schedule are based upon the information available at the present time. Further quotes may be provided once the structure of the deal has been finalized. Annual Fees cover a period of one year and any portion thereof and are not subject to pro-rata. Fees may be subject to adjustment during the life of the engagement.

### OFAC Sanctions

You covenant and represent that neither You nor any of Your affiliates, subsidiaries, directors or officers are the target or subject of any sanctions enforced by the US Government, (including, the Office of Foreign Assets Control of the US Department of the Treasury ("OFAC")), the United Nations Security Council, the European Union, HM Treasury, or other relevant sanctions authority (collectively "Sanctions"). You covenant and represent that neither You nor any of Your affiliates, subsidiaries, directors or officers will use any payments made pursuant to the Transaction: (i) to fund or facilitate any activities of or business with any person who, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business with any country or territory that is the target or subject of Sanctions, or (iii) in any other manner that will result in a violation of Sanctions by any person.

### Acceptance/Revocation of Offer

You may agree to the fees quoted herein by (i) executing this Fee Schedule and returning it to us, (ii) closing the Transaction, or (iii) instructing us or continuing to instruct us after receipt of this Fee Schedule. Upon the earlier to occur of (i), (ii) and (iii), the fees quoted herein shall be deemed accepted by you. If you agree to the fees quoted herein, the terms of this Fee Schedule shall supersede any prior fees quoted with respect to the Transaction. BNYM may revoke the terms of this Fee Schedule if the Transaction does not close within three months from the date of this Fee Schedule. Should the Transaction fail to close for any reason, a termination fee equal to BNYM's Acceptance Fee, any external counsel fees, expenses and disbursements and all out-of-pocket expenses will apply.

### Confidential Information

Except as otherwise provided by law, all information provided to you by BNYM must remain confidential and may not be intentionally disclosed, reproduced, copied, published, or displayed in any form to any third party without BNYM's prior written approval, except as required by law, regulation or court order; provided that you will provide BNYM with prompt notice of such disclosure unless prohibited by law.

### Miscellaneous

You shall be responsible for filing any applicable information returns with the U.S. Department of Treasury, Internal Revenue Service in connection with payments made by BNYM to vendors who have not performed services for BNYM's benefit in connection with the Transaction or other undertakings contemplated by this Fee Schedule.

The Bank of New York Mellon Corporation is a global financial organization that operates in and provides services and products to clients through its affiliates and subsidiaries located in multiple jurisdictions (the "BNY Mellon Group"). The BNY Mellon Group may (i) centralise in one or more affiliates and subsidiaries certain activities (the "Centralised Functions"), including audit, accounting, administration, risk management, legal, compliance, sales, product communication, relationship management, and the compilation and analysis of information and data regarding You (which, for purposes of this provision, includes the name and business contact information for Your employees and representatives) and the accounts established pursuant to the Transaction Documents ("Your Information") and (ii) use third party service providers to store, maintain and process Your Information ("Outsourced Functions"). Notwithstanding anything to the contrary contained elsewhere in this Fee Schedule or the Transaction Documents and solely in connection with the Centralised Functions and/or Outsourced Functions, You consent to the disclosure of, and authorise BNY Mellon to disclose, your Information to (i) other members of the BNY Mellon Group (and their respective officers, directors and employees) and to (ii) third-party service providers (but solely in connection with Outsourced Functions) who are

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required to maintain the confidentiality of your Information. In addition, the BNY Mellon Group may aggregate your Information with other data collected and/or calculated by the BNY Mellon Group, and the BNY Mellon Group will own all such aggregated data, provided that the BNY Mellon Group shall not distribute the aggregated data in a format that identifies your information with you specifically. You represent that you are authorised to consent to the foregoing and that the disclosure of your Information in connection with the Centralised Functions and/or Outsourced Functions does not violate any relevant data protection legislation. You also consent to the disclosure of your information to governmental and regulatory authorities in jurisdictions where the BNY Mellon Group operates and otherwise as required by law.

### **Privacy Notice**

Your personal information is collected and will be used by the BNY Mellon Group. The particular BNY Mellon Group legal entity which owns the relationship associated with this Transaction will be deemed a data controller for your personal information. Your personal information will be used in connection with the preparation of internal distribution lists, the distribution of materials for the purposes of hearing more about BNYM's services and events, and compliance with legal requirements pertaining to individual and organizational identification (including Know Your Client requirements). This includes information required for onboarding of new clients, updating of information on existing client relationships, and information relating to associated parties with respect to any transaction with BNYM, where applicable. Your personal information will be shared within the BNY Mellon Group as well as with third parties, including BNY Mellon Group's third-party service providers, where necessary for the aforementioned purposes. The BNYM Group will transfer or store your personal information in countries other than the country of administration of the Transaction, including those outside Europe and the European Economic Area, under the protection of appropriate safeguards. For more information about how we collect, use, and share personal information and your legal rights see the BNY Mellon Group's full privacy notice (the "Privacy Notice") at <https://www.bnymellon.com/us/en/data-privacy.html> or contact your BNYM Relationship Manager.

### **Customer Notice Required By the USA Patriot Act**

To help the U.S. government fight the funding of terrorism and money laundering activities, US Federal law requires all financial institutions to obtain, verify and record information that identifies each person (whether an individual or organization) for which a relationship is established. When you establish a relationship with BNYM, we will ask you to provide certain information (and documents) that will help us to identify you. We will ask for your organization's name, physical address, tax identification or other government registration number and other information that will help us identify you. We may also ask for a Certificate of Incorporation or similar document or other pertinent identifying documentation for your type of organization.

### **Governing Law and Third Party Rights**

This Fee Schedule (and any non-contractual obligations arising out of this Fee Schedule) shall be governed by and construed in accordance with the law of the state (the State") governing the primary Transaction document (for example, the trust indenture). The Parties agree to submit to the jurisdiction of the courts of the State.

**The undersigned hereby accepts and agrees to the fees and the terms and conditions set forth in this Fee Schedule.**

**Hobe-St. Lucie Conservancy District**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

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**CONSIDER APPROVAL OF  
LANDOWNER AGREEMENT**

**TO BE DISTRIBUTED  
UNDER SEPARATE COVER**

**RESOLUTION NO. 2023-07**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HOBE-ST. LUCIE CONSERVANCY DISTRICT AUTHORIZING AND ADOPTING AN AMENDED FINAL FISCAL YEAR 2022/2023 BUDGET AS AMENDED (“AMENDED BUDGET AS AMENDED”), PURSUANT TO CHAPTER 189 FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors (“Board”) of the Hobe-St. Lucie Conservancy District (“District”) is empowered to provide a funding source and to impose special assessments upon the properties within the District; and,

**WHEREAS**, the District has prepared for consideration and approved an Amended Budget; and

**WHEREAS**, the District has proposed an amendment to the Amended Fiscal Year 2022/2023 Budget.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HOBE-ST. LUCIE CONSERVANCY DISTRICT THAT:**

**Section 1.** The Amended Budget for Fiscal Year 2022/2023, as amended, attached hereto as Exhibit “A” is approved and adopted.

**Section 2.** The Secretary/Assistant Secretary of the District is authorized to execute any and all necessary transmittals, certifications or other acknowledgements or writings, as necessary, to comply with the intent of this Resolution.

**PASSED, ADOPTED and EFFECTIVE** this 25<sup>th</sup> day of October, 2023.

**ATTEST:**

**HOBE-ST. LUCIE  
CONSERVANCY DISTRICT**

By: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
President/Vice President

**CONSIDER APPROVAL OF ESTIMATED  
REPAIR COST – HIGGINS ENGINEERING, INC.**

**TO BE DISTRIBUTED  
UNDER SEPARATE COVER**

October 12, 2023

Hobe-St. Lucie Conservancy District  
c/o Michael McElligot  
Special District Services, Inc.  
2501 A Burns Road  
Palm Beach Gardens, FL 33410

RE: Hobe-St Lucie Irrigation Canal No. 2

Dear Mr. McElligot,

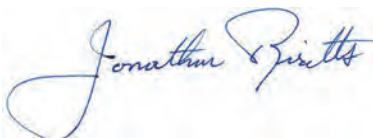
On behalf of SS Ranch, LLC., I would like to formally request the permission to construct an impermeable liner on a small section of Irrigation Canal No. 2 (IC2).

My client, SS Ranch, LLC., is currently constructing a golf course north of Kanner Highway (SR 706) on the property immediately west of IC2. The golf course will have a large variation in the topography as a key part of the course. To achieve that goal, some of this varying topography will be constructed immediately west of the IC2 and is proposed to be as low as 16.0 NAVD. When the pumps are running for IC2, the elevation of the water inside the canal reaches approximately 21.5 NAVD. To prevent the water from the canal from seeping into the golf course, we are proposing to line the canal with an impermeable barrier. The liner would be constructed starting immediately south of the IC2 pump station located at the canal's juncture with the C44 canal. The liner would stop just north of the existing box culverts located at Kanner Highway. Construction of the liner would likely take approximately 2-3 weeks. During construction, a temporary bypass canal would be constructed to insure continuous deliveries of water through the canal.

Upon approval, we will finalize our construction plans for review and approval by Mr. Robert Higgins, District Engineer.

We appreciate your consideration of my request and if you have any questions, please feel free to call.

Sincerely,



Jonathan Ricketts, P.E.

Cc: Chris Shumway



1942 8th Ave North Lake Worth, FL 33461  
 Florida License #EC0001117  
 Voice (561) 588-5886 / (800) 991-2770 Fax (561) 582-9344  
 E Mail: [Sales@sullivanelectric-pump.com](mailto:Sales@sullivanelectric-pump.com)

# Quote

Date	Quote #
8/16/2023	27536

Billing Address
Hobe St. Lucie Conservancy District 2501 Burns Rd., Suite A Palm Beach Gardens, FL 33410

Ship Address
East & West 27.029334 -80.281724

Quote By	Due Date	P.O. No.
Gary	9/15/2023	

Description	Qty	Total
<p>WE ARE PLACE TO PRESENT THIS QUOTATION TO REPLACE EXISTING TRANSFER PUMP CONTROL PANEL WITH SPECIFICATIONS AS FOLLOWS:</p> <ul style="list-style-type: none"> <li>- DEMO EXISTING TRANSFER PUMP PANEL AND ASSOCIATED CONTROLS.</li> <li>- NEW 400 AMP 3 POLE 4 WIRE 480 VOLT NEMA 3R MAIN DISCONNECT FUSED AT 250 AMP.</li> <li>- 230 AMP 3 PHASE FEEDER FROM NEW MAIN DISCONNECT TO NEW CONTROL PANEL.</li> <li>- NEW TRANSFER PUMP CONTROL PANEL FOR TWO (2) 75 HP 480 VOLT TRANSFER PUMPS WITH TWO (2) 150 AMP CB, FUSED POWER PHASE MONITOR, 75 HP SOFT START, AND HMI OPERATOR INTERFACE ON THE DOOR ONE FOR EACH 75 HP TRANSFER PUMP MOTOR; PRIMARY FUSE FOR 2 KW 480 VOLT TO 120 VOLT STEP DOWN TRANSFORMER FOR CONTROLS ON ONE (1) CONVENIENCE RECEPTACLES; CONTROL CB; RECEPTACLE CB, HAND OFF AUTOMATIC SWITCH ON EACH PUMP; MOVE EXISTING LEVEL CONTROL RELAY INTO NEW PANEL; AUTOMATIC ALTERNATION WITH PUMP FAILURE SWITCH OVER; LOW LEVEL LOCK LOCK OUT FLOAT; VIRTUAL SCADA PUMP MONITORING SYSTEM; NEMA 3R ENCLOSURE FIBERGLASS ENCLOSURE, ETL LISTING BUILT TO UL 508A SPECIFICATIONS.</li> </ul>		0.00

**Please be advised, that all Service Calls are charged for a minimum of two hour and hourly thereafter.**

Qualifications –  
 -Labor to date is not included unless itemized in the quotation above.  
 -Concealed or unforeseen needed repairs will be estimated after shop evaluation of the equipment.  
 -Repair or replacement of auxiliary equipment such as motor starters, fuses, circuit breakers, control components, valves, check valves, piping is not included unless itemized in the quotation above.  
 -Proper access to site without the use of special equipment is assumed unless otherwise itemized in the quotation above.  
 Installation will comply with the current approved editions of the National Electric Code and the Florida Building Code with all approved addendum.

Terms --  
 -Net 10 days from invoice date. All labor to date is due 20 days from the quote date if quote is not accepted.  
 Signature on this agreement constitutes contract between customer and Sullivan Electric & Pump, INC.  
 Warranty --  
 -1 Year on supplied parts, excluding lamps, and conditional upon the manufacturer's acceptance of the warranty claim that the parts failure was a defect in manufacturing and not to improper use, lack of maintenance or improper application not caused by Sullivan Electric & Pump, INC.  
 Limited 90 Day warranty on all bearings, mechanical seals and Labor by Sullivan Electric & Pump, INC  
 -Warranty excludes consequential and acts of God damage  
 -The owner is responsible to properly use & maintain the product used in the installation according to all acceptable standards and practices including but not limited to NFPA publication 70B "Recommended Practice for Electrical Equipment Maintenance," current printed edition, NEMA MG2, current printed edition and manufacturer' d product manuals

**A deposit is required on manufactured or special order products.**



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- CONNECTION TO EXISTING MOTOR BRANCH CIRCUITS. - CONNECTION TO EXISTING REMOTE LEVEL PROBE CONTROL WIRES. - GROUNDING ELECTRODE SYSTEM. BOND PUMPS, CONTROL PANELS AND SERVICE DISCONNECT TO GROUNDING ELECTRODE SYSTEM. GROUNDING ELECTRODE SYSTEM TO BE TESTED TO 10 OHM S OR LESS. - NEW SUPPORT FOR NEW CONTROL PANEL. QUALIFICATIONS: - PERMITTING IS NOT INCLUDED IN THIS PRICE. IT IS OUR UNDERSTANDING THIS WOULD BE CLASSIFIED AGRICULTURAL AND THEREFORE BE EXEMPT FOR PERMITTING.  QUALIFICATIONS: - THIS QUOTATION ASSUMES PROPER ACCESS TO PROPERTY DURING REGULAR BUSINESS HOURS. - PRICE DOES NOT INCLUDED PERMITTING IF REQUIRED. - PRICE DOES NOT INCLUDE UTILITY FEES.  DEPOSIT REQUIRED: 30%  TERMS: NET 10 DAYS FROM INVOICE DATE.		

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 Limited 90 Day warranty on all bearings, mechanical seals and Labor by Sullivan Electric & Pump, INC  
 -Warranty excludes consequential and acts of God damage  
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DELIVERY AND INSTALLATION: ALLOW 8 TO 10 WEEKS. :		
THANK YOU FOR THE OPPORTUNITY TO PROVIDE THIS QUOTATION FOR OUR PRODUCTS AND SERVICES. WE LOOK FORWARD TO WORKING WITH YOU IN THE NEAR FUTURE. ALWAYS REMEMBER WE SERVICE AND FULLY SUPPORT OUR PRODUCTS WITH KNOWLEDGEABLE AND HIGHLY TRAINED TECHNICIANS.		
QUOTED BY: GARY T. SULLIVAN E.C.		
CUSTOM SOFT START CONTROL PANEL 250A 480 VOLT FOR TWO (2) 150HP TRANSFER PUMP MOTORS WITH LEVEL CONTROL. ETL LISTED BUILT TO UL 508 SPECIFICATIONS.		27,031.38
Total Job Field Install Materials		7,201.41
Field Service Technician	32	3,456.00
Field Service Technician Assistant	32	2,880.00
Subtotal		40,568.79
Surtax Calculation of 1.0% Additional Sales Tax on Purchases up to First \$5000.00		0.00

**Please be advised, that all Service Calls are charged for a minimum of two hour and hourly thereafter.**

<b>Subtotal</b>	\$40,568.79
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<b>Sales Tax (0.0%)</b>	\$0.00
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<b>Total</b>	\$40,568.79
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Signature: \_\_\_\_\_  
 Authorized By (Print Name) \_\_\_\_\_  
 Date Approved \_\_\_\_\_