RESOLUTION NO. 2009-24-969

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE ISSUANCE OF EQUIPMENT ACQUISITION REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF TWO MILLION DOLLARS ($2,000,000) FOR THE PURPOSE OF FINANCING OR REIMBURSING A PORTION OF THE COSTS OF PURCHASING VEHICLES, EQUIPMENT AND MACHINERY FOR VARIOUS CITY DEPARTMENTS, AND PAYING COSTS OF ISSUANCE OF THE BONDS; AWARDING THE SALE OF THE BONDS TO WACHOVIA BANK, NATIONAL ASSOCIATION; PROVIDING FOR SECURITY FOR THE BONDS; CONTAINING OTHER PROVISIONS RELATING TO THE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR ADOPTION OF REPRESENTATIONS; REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, on January 28, 2009, the City Council (the "Council") of the City of Miami Gardens, Florida (the "City") adopted Ordinance No. 2009-05-177 (the "Ordinance"), authorizing the issuance of equipment acquisition revenue bonds in an aggregate principal amount of Two Million Dollars ($2,000,000) for the purpose of financing or reimbursing a portion of the costs of purchasing vehicles, equipment and machinery for various City departments (the "Project") and paying costs of issuance of the Bonds, and

WHEREAS, the Council has determined that it is in the best interest of the City and its citizens to accept a commitment (the "Commitment") from Wachovia Bank, National Association (the "Bank") to purchase the Bonds, and

WHEREAS, the Council desires to set forth the details of the Bonds in this Bond Resolution,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

SECTION 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas Clauses are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

SECTION 2. AUTHORIZATION OF BONDS: Pursuant to the provisions of this Resolution, revenue bonds of the City to be designated "City of Miami Gardens, Florida, Equipment Acquisition Revenue Bonds, Series 2009" (the "Bonds"), are hereby authorized to be issued in an aggregate principal amount of Two Million Dollars ($2,000,000) for the purpose of financing or reimbursing the City for costs of the Project and paying costs of issuance of the Bonds.

SECTION 3. TERMS OF THE BONDS:

(a) General Provisions. The Bonds shall be issued in fully registered form without coupons. The principal of and interest on the Bonds shall be payable when due in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered Owners of the Bonds ("Owners") or their legal representatives at the addresses of the Owners as they appear on the registration books of the City.

The Bonds shall be dated the date of their issuance and delivery and shall be initially issued as one Bond in the denomination of $2,000,000. The Bonds shall mature on February 1, 2014.

THE BONDS SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE CITY OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, BUT SHALL BE PAYABLE EXCLUSIVELY FROM THE PLEDGED REVENUES, AS DEFINED IN THIS RESOLUTION. THE ISSUANCE OF THE BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR, NOR SHALL THE BONDS CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, AND THE HOLDERS OF THE BONDS SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION.

(b) Interest Rate. Subject to adjustment as provided below, the Bonds shall bear interest on the outstanding principal balance from their date of issuance payable annually on each February 1 (the "Interest Payment Dates"), commencing February 1, 2010, as follows:

(i) from the date of delivery of the Bonds until the Conversion Date (as defined below) (the "Variable Rate Period") at an interest rate equal to the one-month LIBOR as shown on the Telerate System, page 3750 (the "LIBOR Rate"), adjusted monthly on the first day of each month (the "Reset Date"), plus 50 basis points (0.50%). The initial LIBOR Rate shall be based on the LIBOR Rate determined two (2) business days prior to the delivery date of the Bonds and each reset LIBOR Rate shall be based on the LIBOR Rate determined two (2) business days prior to each Reset Date; and

(ii) from the date following the Conversion Date until the maturity date of the Bonds (the "Fixed Rate Period"), at an interest rate equal to the 5-year U.S. Dollar Swap Offering Rate as published by the Federal Reserve Board in the Federal Reserve Statistical

Release H.15 and reported on Reuters page ISDAFIX1 three (3) business days prior to the Conversion Date, plus 15 basis points (0.15%) (the "Fixed Rate").

As used herein, "Conversion Date" shall mean the date specified by the City in a written notice to the Bank requesting that the interest rate on the Bonds be converted to a fixed rate pursuant to paragraph (b)(ii), which may be any date not later than one year from the date of issuance of the Bonds (the "Anniversary Date"). Such notice shall be delivered to the Bank not later than 5 business days prior to the requested Conversion Date. If the City has not made such request by the Anniversary Date, then the Anniversary Date shall be the Conversion Date.

Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve (12) thirty-day months.

Adjustment of Interest Rate For Full Taxability. In the event a Determination of Taxability shall have occurred during the Variable Rate Period, the rate of interest on the Bonds shall be increased to a rate per annum equal to 1.5625 times (the LIBOR Rate plus 0.50%) (the "Variable Rate Taxable Rate"), and in the event a Determination of Taxability shall have occurred during the Fixed Rate Period, the rate of interest on the Bonds shall be increased to 1.5625 times the Fixed Rate (the "Fixed Rate Taxable Rate"), effective retroactively to the date on which the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof. In addition, the Owners of the Bonds or any former Owners of the Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owners or former Owners of the Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the City on the first day of the succeeding calendar quarter following the Determination of Taxability. A "Determination of Taxability" shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which notice or notification is not contested by either the City or any Owners of the Bonds, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the City to the effect that interest on Bonds is includable for federal income tax purposes in the gross income of the Owners thereof.

Adjustment of Interest Rate for Partial Taxability. In the event that interest on the Bonds during any period becomes partially taxable as a result of a Determination of Taxability applicable to less than all of the Bonds, then the interest rate on the Bonds shall be increased during such period by an amount equal to: (A-B) x C where:

(a) A equals the Variable Rate Taxable Rate or the Fixed Rate Taxable Rate, as applicable (expressed as a percentage);

(b) B equals the interest rate on the Bonds (expressed as a percentage); and

(c) C equals the portion of the Bonds the interest on which has become taxable as the result of such tax change (expressed as a decimal).

In addition, the Owners of the Bonds or any former Owners of the Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owners or former Owners of the Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the City on the first day of the succeeding calendar quarter following the Determination of Taxability.

Adjustment of Interest Rate for Change in Maximum Corporate Tax Rate. In the event that the maximum effective federal corporate tax rate (the "Maximum Corporate Tax Rate") during any period with respect to which interest shall be accruing on the Bonds on a tax-exempt basis, shall be other than thirty-five percent (35%), the interest rate on the Bonds that are bearing interest on a tax-exempt basis shall be adjusted to the product obtained by multiplying the interest rate then in effect on the Bonds by a fraction equal to (1-A divided by 1-B), where A equals the Maximum Corporate Tax Rate in effect as of the date of adjustment and (B) equals Maximum Corporate Tax Rate in effect immediately prior to the date of adjustment.

Adjustment of Interest Rate for Other Changes Affecting After-Tax Yield. So long as any portion of the principal amount of the Bonds or interest thereon remains unpaid (a) if any law, rule, regulation or executive order is enacted or promulgated by any public body or governmental agency which changes the basis of taxation of interest on the Bonds or causes a reduction in yield on the Bonds (other than by reason of a change described above) to the Owners or any former Owners of the Bonds, including without limitation the imposition of any excise tax or surcharge thereon, or (b) if, as result of action by any pubic body or governmental agency, any payment is required to be made by, or any federal, state or local income tax deduction is denied to, the Owners or any former Owners of the Bonds (other than by reasons of change described above or by reason of any action or failure to act on the part of any Owner or any former Owner of the Bonds) by reason of the ownership of the Bonds, the City shall reimburse any such Owner within five (5) days after receipt by the City of written demand for such payment, and the City agrees to indemnify each such Owner against any loss, cost, charge or expense with respect to any such change.

Adjustment of Interest Rate Upon an Event of Default. If an "event of default" occurs under Section 19 of this Resolution, the interest rate on the Bonds shall immediately be adjusted to a rate equal to the rate on the Bonds, plus three percent (3%).

(c) Prepayment Provisions

(i) Mandatory Prepayment. The principal of the Bonds shall be subject to mandatory prepayment in annual installments on each February 1, commencing February 1, 2011 (each a "Scheduled Due Date"). The schedule of principal and interest payments due on each Scheduled Due Date shall be determined on the first day of the Fixed Rate Period (as determined in Section 3(b)(ii) hereof). The schedule shall be

determined by the Owners and provided to the City based upon the Fixed Rate and an amortization schedule of substantially level payments of principal and interest, with payments of principal and interest sufficient to fully amortize so much of the principal amount of the Bonds as is outstanding on the first day of the Fixed Rate Period, with the final payment due and payable on February 1, 2014.

(ii) Optional Prepayment. The Bonds are subject to optional prepayment as follows:

(A) during the Variable Rate Period, the Bonds are subject to prepayment in whole or in part at any time at a price of par plus accrued interest to the date of prepayment, upon written notice to the registered Owners thereof given by the City at least five (5) days prior to the date fixed for prepayment; and

(B) during the Fixed Rate Period, the Bonds are subject to prepayment in whole or in part at any time at a price of par, plus accrued interest to the date of prepayment, plus a premium equal to the "Prepayment Penalty" described in Exhibit "A" attached hereto, upon written notice to the Owners thereof given by the City at least five (5) days prior to the date fixed for prepayment.

Partial prepayments shall be applied in inverse order of the maturity of principal installments.

In the event that there is more than one Owner of the Bonds, (A) each Bond shall be redeemed pro rata, and (B) the City shall give notice to each Owner of the Bonds at least three (3) days prior to the date of redemption of the amount of each Bond to be redeemed.

SECTION 4. EXECUTION OF BONDS: The Bonds shall be signed in the name of the City by the Mayor and attested to by the City Clerk, and its seal shall be affixed thereto or imprinted or reproduced thereon. The signatures of the Mayor and the City Clerk on the Bonds may be manual or facsimile signatures, provided that the signature of one of such officers shall be a manual signature. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer of the City before the Bonds so signed and sealed shall have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed and sealed such Bonds had not ceased to hold such office. Any Bonds may be signed and sealed on behalf of the City by such person as at the actual time of the execution of such Bonds shall hold the proper office, although at the date of issuance of such Bonds such person may not have held such office or may not have been so authorized.

SECTION 5. NEGOTIABILITY, REGISTRATION AND CANCELLATION: The City shall serve as Registrar and as such shall keep books for the registration of Bonds and for the registration of transfers of Bonds. Bonds may be transferred or exchanged upon the registration books kept by the City, upon delivery to the City, together with written instructions as to the details of the transfer or exchange, of such Bonds in form satisfactory to the City and

with guaranty of signatures satisfactory to the City, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. Bonds may be exchanged for one or more Bonds of the same aggregate principal amount and maturity and in denominations in integral multiples of $250,000 (except that an odd lot is permitted to complete the outstanding principal balance). No transfer or exchange of any Bond shall be effective until entered on the registration books maintained by the City.

The City may deem and treat the person in whose name any Bond shall be registered upon the books kept by the City as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as they become due and for all other purposes. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

In all cases in which Bonds are transferred or exchanged in accordance with this Section, the City shall execute and deliver Bonds in accordance with the provisions of this Resolution. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the City. There shall be no charge for any such exchange or transfer of Bonds, but the City may require the payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The City shall not be required to transfer or exchange Bonds for a period of fifteen (15) days next preceding an interest payment date on such Bonds.

All Bonds, the principal and interest of which has been paid, either at or prior to maturity, shall be delivered to the City when such payment is made, and shall thereupon be canceled.

In case part but not all of an outstanding Bond shall be prepaid, such Bond shall not be surrendered in exchange for a new Bond, but the City shall make a notation indicating the remaining outstanding principal of the Bonds upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

SECTION 6. BONDS MUTILATED, DESTROYED, STOLEN OR LOST: In case any Bond shall become mutilated or be destroyed, stolen or lost, the City may in its discretion issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in the case of a mutilated Bond, in exchange and substitution for such mutilated Bond upon surrender of such mutilated Bond or in the case of a destroyed, stolen or lost Bond in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Owner furnishing the City proof of his ownership thereof, satisfactory proof of loss or destruction thereof and satisfactory indemnity, complying with such other reasonable regulations and conditions as the City may prescribe and paying such expenses as the City may incur. The City shall cancel all mutilated Bonds that are surrendered. If any mutilated, destroyed, lost or stolen Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the principal of and interest on

such Bond upon the Owner complying with the requirements of this paragraph.

Any such duplicate Bonds issued pursuant to this section shall constitute original contractual obligations of the City whether or not the lost, stolen or destroyed Bonds be at any time found by anyone, and such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien on and source and security for payment from the funds, as hereinafter pledged, to the extent as all other Bonds issued hereunder.

SECTION 7. FORM OF BONDS: The text of the Bonds shall be of substantially the following tenor, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted by this Resolution.

No. R-

UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF MIAMI GARDENS
EQUIPMENT ACQUISITION REVENUE BOND
SERIES 2009

Registered Owner:

Principal Amount: The lesser of (i) $2,000,000 or (ii) the Advances made under the Resolution (as hereinafter defined)

KNOW ALL MEN BY THESE PRESENTS, that the City of Miami Gardens, Florida (the "City"), for value received, hereby promises to pay in installments to the Registered Owner shown above, or registered assigns, on the dates set forth below, the Principal Amount specified above or so much thereof as has been advanced and is outstanding. Subject to the rights of prior prepayment and amortization described in this Bond, this Bond shall mature on February 1, 2014.

This Bond is issued under authority of and is full compliance with the Constitution and laws of the State of Florida, including particularly Part II of Chapter 166, Florida Statutes, as amended, the Charter of the City, Ordinance No. 2009-05-177 duly adopted by the City Council of the City on January 28, 2009, and Resolution No. 2009-24-969 duly adopted by the City Council of the City on January 28, 2009 (the "Bond Resolution"), and is subject to the terms of the Bond Resolution. This Bond is issued for the purpose of financing or reimbursing a portion of the costs of purchasing vehicles, equipment and machinery for various City departments, and paying costs of issuance of the Bonds.

Subject to adjustment as provided below, this Bond shall bear interest on the outstanding principal balance from its date of issuance payable annually on each February 1 (the "Interest Payment Dates"), commencing February 1, 2010, as follows:

(a) from the date of delivery of the Bonds until the Conversion Date (as defined below) (the "Variable Rate Period") at an interest rate equal to the one-month

LIBOR as shown on the Telerate System, page 3750 (the "LIBOR Rate"), adjusted monthly on the first day of each month (the "Reset Date"), plus 50 basis points (0.50%). The initial LIBOR Rate shall be based on the LIBOR Rate determined two (2) business days prior to the delivery date of the Bonds and each reset LIBOR Rate shall be based on the LIBOR Rate determined two (2) business days prior to each Reset Date; and

(b) from the date following the Conversion Date until the maturity date of the Bonds (the "Fixed Rate Period"), at an interest rate equal to the 5-year U.S. Dollar Swap Offering Rate as of the Conversion Date, as published by the Federal Reserve Board in the Federal Reserve Statistical Release H.15 and reported on Reuters page ISDAFIX1 three (3) business days prior to the Conversion Date, plus 15 basis points (0.15%) (the "Fixed Rate").

As used herein, "Conversion Date" shall mean the date specified by the City in a written notice to the Bank requesting that the interest rate on the Bonds be converted to a fixed rate pursuant to paragraph (b), which may be any date not later than one year from the date of issuance of the Bonds (the "Anniversary Date"). Such notice shall be delivered to the Bank not later than 5 business days prior to the requested Conversion Date. If the City has not made such request by the Anniversary Date, then the Anniversary Date shall be the Conversion Date.

Interest on this Bond shall be computed on the basis of a 360-day year consisting of twelve (12) thirty-day months.

Adjustment of Interest Rate For Full Taxability. In the event a Determination of Taxability shall have occurred during the Variable Rate Period, the rate of interest on the Bonds shall be increased to a rate per annum equal to 1.5625 times (the LIBOR Rate plus 0.50%) (the "Variable Rate Taxable Rate"), and in the event a Determination of Taxability shall have occurred during the Fixed Rate Period, the rate of interest on the Bonds shall be increased to 1.5625 times the Fixed Rate (the "Fixed Rate Taxable Rate"), effective retroactively to the date on which the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof. In addition, the Owners of the Bonds or any former Owners of the Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owners or former Owners of the Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the City on the first day of the succeeding calendar quarter following the Determination of Taxability. A "Determination of Taxability" shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which notice or notification is not contested by either the City or any Owners of the Bonds, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the City to the effect that interest on Bonds is includable for federal income tax purposes in the gross income of the Owners thereof.

Adjustment of Interest Rate for Partial Taxability. In the event that interest on the Bonds during any period becomes partially taxable as a result of a Determination of Taxability applicable to less than all of the Bonds, then the interest rate on the Bonds shall be increased during such period by an amount equal to: (A-B) x C where:

(a) A equals the Variable Rate Taxable Rate or the Fixed Rate Taxable Rate, as applicable (expressed as a percentage);

(b) B equals the interest rate on the Bonds (expressed as a percentage); and

(c) C equals the portion of the Bonds the interest on which has become taxable as the result of such tax change (expressed as a decimal).

In addition, the Owners of the Bonds or any former Owners of the Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owners or former Owners of the Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the City on the first day of the succeeding calendar quarter following the Determination of Taxability.

Adjustment of Interest Rate for Change in Maximum Corporate Tax Rate. In the event that the maximum effective federal corporate tax rate (the "Maximum Corporate Tax Rate") during any period with respect to which interest shall be accruing on the Bonds on a tax-exempt basis, shall be other than thirty-five percent (35%), the interest rate on the Bonds that are bearing interest on a tax-exempt basis shall be adjusted to the product obtained by multiplying the interest rate then in effect on the Bonds by a fraction equal to (1-A divided by 1-B), where A equals the Maximum Corporate Tax Rate in effect as of the date of adjustment and (B) equals Maximum Corporate Tax Rate in effect immediately prior to the date of adjustment.

Adjustment of Interest Rate for Other Changes Affecting After-Tax Yield. So long as any portion of the principal amount of the Bonds or interest thereon remains unpaid (a) if any law, rule, regulation or executive order is enacted or promulgated by any public body or governmental agency which changes the basis of taxation of interest on the Bonds or causes a reduction in yield on the Bonds (other than by reason of a change described above) to the Owners or any former Owners of the Bonds, including without limitation the imposition of any excise tax or surcharge thereon, or (b) if, as result of action by any pubic body or governmental agency, any payment is required to be made by, or any federal, state or local income tax deduction is denied to, the Owners or any former Owners of the Bonds (other than by reasons of change described above or by reason of any action or failure to act on the part of any Owner or any former Owner of the Bonds) by reason of the ownership of the Bonds, the City shall reimburse any such Owner within five (5) days after receipt by the City of written demand for such payment, and the City agrees to indemnify each such Owner against any loss, cost, charge or expense with respect to any such change.

Adjustment of Interest Rate Upon an Event of Default. If an "event of default" occurs under Section 19 of the Bond Resolution, the interest rate on the Bonds shall immediately be adjusted to a rate equal to the rate on the Bonds, plus three percent (3%).

Prepayment Provisions

Mandatory Prepayment

The principal of this Bond shall be subject to mandatory prepayment in annual installments on each February 1, commencing February 1, 2011 (each a "Scheduled Due Date"). The schedule of principal and interest payments due on each Scheduled Due Date shall be determined by the Owners and provided to the City on the first day of the Fixed Rate Period (as determined in Section 3(b)(ii) of the Bond Resolution). The schedule shall be determined based upon the Fixed Rate and an amortization schedule of substantially level payments of principal and interest, with payments of principal and interest sufficient to fully amortize so much of the principal amount of the Bonds as is outstanding on the first day of the Fixed Rate Period, with the final payment due and payable on February 1, 2014.

Optional Prepayment. This Bond is subject to optional prepayment as follows:

(a) during the Variable Rate Period, this Bond is subject to prepayment in whole or in part at any time at a price of par plus accrued interest to the date of prepayment, upon written notice to the registered Owner hereof given by the City at least five (5) days prior to the date fixed for prepayment; and

(b) during the Fixed Rate Period, this Bond is subject to prepayment in whole or in part at any time at a price of par, plus accrued interest to the date of prepayment, plus a premium equal to the "Prepayment Penalty" described in Exhibit "A" attached hereto, upon written notice to the Owners thereof given by the City at least five (5) days prior to the date fixed for prepayment.

Partial prepayments shall be applied in inverse order of the maturity of principal installments.

In the event that there is more than one Owner of the Bonds, (i) each Bond shall be redeemed pro rata, and (ii) the City shall give notice to each Owner of the Bonds at least three (3) days prior to the date of redemption of the amount of each Bond to be redeemed.

In case part but not all of an outstanding Bond shall be prepaid, such Bond shall not be surrendered in exchange for a new Bond, but the City shall make a notation indicating the remaining outstanding principal of the Bonds upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which

shall be an authorized denomination.

The principal of and interest on this Bond are payable in lawful money of the United States of America by wire transfer or by certified check delivered on or prior to the date due to the registered Owner or his legal representative at the address of the Owner as it appears on the registration books of the City.

This Bond and the interest hereon are secured by (i) the portion of the proceeds of the Local Government Half-Cent Sales Tax as defined in and received by the City under Part VI, Chapter 218, Florida Statutes (the "Local Government Half-Cent Sales Tax Revenues") and by (ii) proceeds of the Communication Services Tax as defined in and received by the City under Chapter 202, Florida Statutes (the "Communication Services Tax Revenues"). The Bonds are on a parity, with respect to the lien on the Local Government Half-Cent Sales Tax Revenues and the Communication Services Tax Revenues, with the City's outstanding $4,700,000 Equipment Acquisition Revenue Bonds, Series 2008, $14,400,000 Land Acquisition and Improvement Revenue Bonds, Series 2007, $2,500,000 Capital Improvement Revenue Bonds, Series 2005, and $7,500,000 Land Acquisition Revenue Bonds, Series 2005. Reference is hereby made to the Resolution for the provisions, among others, relating to the terms, lien and security of the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the Registered Owners of the Bonds, and the extent of and limitations on the City's rights, duties and obligations, to all of which provisions the Registered Owner hereof for himself and his successors in interest assents by acceptance of this Bond.

THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE CITY OR A PLEDGE OF THE FAITH AND CREDIT OF THE CITY, BUT SHALL BE PAYABLE EXCLUSIVELY BY THE COMMUNICATION SERVICES TAX REVENUES AND THE LOCAL GOVERNMENT HALF-CENT SALES TAX REVENUES OF THE CITY, AS DEFINED HEREIN. THE ISSUANCE OF THIS BOND SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO LEVY OR TO PLEDGE ANY FORM OF AD VALOREM TAXATION WHATEVER THEREFOR NOR SHALL THIS BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE CITY, AND THE HOLDER OF THIS BOND SHALL HAVE NO RECOURSE TO THE POWER OF AD VALOREM TAXATION.

The original registered Owner, and each successive registered Owner of this Bond shall be conclusively deemed to have agreed and consented to the following terms and conditions:

1. The City shall keep books for the registration of Bonds and for the registration of transfers of Bonds as provided in the Resolution. Bonds may be transferred or exchanged upon the registration books kept by the City, upon delivery to the City, together with written instructions as to the details of the transfer or exchange, of such Bonds in form satisfactory to the City and with guaranty of signatures satisfactory to the City, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification

numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. The Bonds may be exchanged for Bonds of the same principal amount and maturity and denominations in integral multiples of $250,000 (except that an odd lot is permitted to complete the outstanding principal balance). No transfer or exchange of any Bond shall be effective until entered on the registration books maintained by the City.

2. The City may deem and treat the person in whose name any Bond shall be registered upon the books of the City as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as they become due, and for all other purposes. All such payments so made to any such Owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

3. In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the City shall execute and deliver bonds in accordance with the provisions of the Resolution. There shall be no charge for any such exchange or transfer of Bonds, but the City may require payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The City shall not be required to transfer or exchange Bonds for a period of fifteen (15) days next preceding an interest payment date on such Bonds.

4. All Bonds, the principal of which has been paid, either at or prior to maturity, shall be delivered to the City when such payment is made, and shall thereupon be canceled. In case part, but not all of an outstanding Bond shall be prepaid, such Bond shall not be surrendered in exchange for a new Bond.

It is hereby certified and recited that all acts, conditions and things required to happen, to exist and to be performed precedent to and for the issuance of this Bond have happened, do exist and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Florida applicable thereto.

IN WITNESS WHEREOF, the City of Miami Gardens, Florida has caused this Bond to be executed by the manual or facsimile signature of its Mayor and of its City Clerk, and the Seal of the City of Miami Gardens, Florida or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon, all as of the 28th day of January, 2009.

CITY OF MIAMI GARDENS, FLORIDA

_____

Mayor

_____

City Clerk

(SEAL)

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned _____ (the "Transferor"), hereby sells, assigns and transfers unto _____ (Please insert name and Social Security or Federal Employer identification number of assignee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ (the "Transferee") as attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date_____ _____

Signature Guaranteed: Social Security Number of Assignee

_____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or a trust company

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common

_____(Cust.)

Custodian for _____,
(Minor)

TEN ENT - as tenants by the entirety

under Uniform Gifts to Minors Act of _____
(State)

JT TEN -as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the list above.

SECTION 8. PLEDGE OF REVENUES:

(a) The City hereby pledges, assigns and grants a security interest to the Bondholders in the Local Government Half-Cent Sales Tax Revenues and in the Communication Services Tax Revenues in order to secure the principal of and interest on the Bonds. The City covenants that for so long as the Bonds are secured by the Local Government Half-Cent Sales Tax Revenues it shall take all necessary steps to qualify to continue to receive the Local Government Half-Cent Sales Tax Revenues as provided for in Part VI, Chapter 218, Florida Statutes. The City covenants that for so long as the Bonds are secured by the Communication Services Tax Revenues it shall take all necessary steps to qualify to continue to receive the Communication Services Tax Revenues as provided for in Chapter 202, Florida Statutes. The City represents and warrants to the Bondholders that there are no other obligations of the City currently outstanding secured by the Local Government Half-Cent Sales Tax Revenues or the Communication Services Tax Revenues, other than the City's outstanding $4,700,000 Equipment Acquisition Revenue Bonds, Series 2008, $14,400,000 Land Acquisition and Improvement Revenue Bonds, Series 2007, $2,500,000 Capital Improvement Revenue Bonds, Series 2005, and $7,500,000 Land Acquisition Revenue Bonds, Series 2005 (collectively, the "Parity Bonds"), the lien of which is and shall be on a parity with the lien on such revenues for the benefit of the Bonds.

(b) As used in this Resolution, (i) the term "Local Government Half-Cent Sales Tax Revenues" means the portion of the proceeds of the Local Government Half-Cent Sales Tax as defined in and received by the City under Part VI, Chapter 218, Florida Statutes, (ii) the term "Communication Services Tax Revenues" means proceeds of the Communication Services Tax as defined in and received by the City under Chapter 202, Florida Statutes, and (iii) the term "Pledged Revenues" means the Communication Services Tax Revenues, and the Local Government Half-Cent Sales Tax Revenues.

(c) Calculations of Pledged Revenues will be based on information derived from the most recently audited fiscal year end financial statements. For purposes of calculating Maximum Annual Debt Service, the interest rate to be assumed for indebtedness bearing interest at a variable rate shall be equal the higher of seven percent (7%) per annum or the actual rate of interest paid by the City with respect to such indebtedness during the month preceding the date of calculation, and such indebtedness shall be assumed to be fully funded. In addition, for purposes of calculating Maximum Annual Debt Service, the $2,500,000 Capital Improvement Revenue Bonds, Series 2005, shall be assumed to amortize over a three (3) year period and the Bonds shall be assumed to amortize over a four (4) year period.

SECTION 9. BOND FUND: There is hereby created a fund, entitled "City of Miami Gardens, Florida Equipment Acquisition Revenue Bonds, Series 2009 Bond Fund" (the "Bond Fund"). There shall be deposited into the Bond Fund on each Interest Payment Date sufficient amounts of Pledged Revenues as specified in Section 8 hereof which, together with the amounts already on deposit therein, will enable the City to pay the principal of and interest on the Bonds on each Interest Payment Date. Moneys in the Bond Fund shall be applied on each Interest Payment Date to the payment of principal of and interest on the Bonds coming due on each such

date.

SECTION 10. SWAP AGREEMENTS: The City is authorized to enter into a swap agreement with the Bondholders or with another party with the consent of the Bondholders for the purpose of effectively lowering or fixing the interest rate on the Bonds for any period of time. For purposes of depositing sufficient moneys into the Bond Fund to pay principal and interest on the Bonds pursuant to Section 9 hereof, and for purpose of the calculations specified in Section 17(b) hereof, (i) any payments due under such swap agreement shall be considered to be the equivalent of debt service payments on the Bonds, and Pledged Revenues shall be set aside in each fiscal year in an amount at least equal to the greater of (x) the payments due under the swap agreement in such fiscal year or (y) the debt service payments due on the Bonds in such fiscal year, in order to make all such payments, and (ii) any payments actually received by the City under the swap agreement may be taken into account and, upon receipt, shall be deposited into the Bond Fund.

SECTION 11. INVESTMENT OF BOND FUND: Subject to Section 14 hereof, funds in the Bond Fund may be invested in the following investments, maturing at or before the time such funds may be needed to pay principal of or interest on Bonds, to the extent such investments are legal for investment of municipal funds ("Authorized Investments"):

(a) The Local Government Surplus Funds Trust Fund;

(b) Negotiable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States Government at the then prevailing market price for such securities;

(c) Interest-bearing time deposits or savings accounts in banks organized under the laws of the State of Florida (the "State"), in national banks organized under the laws of the United States and doing business and situated in the State, in savings and loan associations which are under State supervision, or in federal savings and loan associations located in the State and organized under federal law and federal supervision, provided that any such deposits are secured by collateral as may be prescribed by law;

(d) Obligations of the federal farm credit banks; the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates; or the Federal Home Loan Bank or its district banks or obligations guaranteed by the Government National Mortgage Association;

(e) Obligations of the Federal National Mortgage Association, including Federal National Mortgage Association participation certificates and mortgage pass-through certificates guaranteed by the Federal National Mortgage Association;

(f) Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to

United States Government obligations and to repurchase agreements fully collateralized by such United States Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian; or

(g) Any other investments that at the time are legal investments for municipal funds.

SECTION 12. ADVANCES AND APPLICATION OF BOND PROCEEDS:

(a) The proceeds of the Bonds shall be disbursed by the Bank by making Advances (as defined below) from time to time in an aggregate principal amount not exceeding $2,000,000, provided that no Advance shall be made after the Anniversary Date. Each draw shall be for a minimum amount of $50,000 and only one draw may be made during any calendar month.

(b) The City may request an Advance by delivering to the Bank at least three Business Days (as defined below) prior to the date on which the Advance is requested to be funded a written request signed by either the Mayor, the City Manager or the Finance Director of the City (each such request, a "Notice of Advance") (i) specifying the Business Day on which the funding of the Advance is requested; (ii) specifying the amount of the Advance requested; (iii) stating that to the best of the signer's knowledge, no event of default under the Resolution has occurred and is continuing (which has not been cured or waived) and no event which, with the giving of notice or the passage of time or both would constitute an event of default, has occurred and is continuing.

(c) Upon receipt of a Notice of Advance, the Bank shall fund the Advance requested prior to 11:00 a.m. on the later of the third succeeding Business Day or the date such Advance is requested to be funded. On the date the Advance is to be funded, the Bank shall make available the amount of the Advance requested in immediately available funds.

(d) A Notice of Advance may be revoked by the City upon delivery of a written notice delivered to the Bank not later than 9:00 a.m. on the date the proposed Advance is to be funded.

(e) For purposes of this Section 12, "Advance" shall mean an advance of the Bond proceeds by the Bank to the City, and "Business Day" shall mean any date other than a Saturday, Sunday or other day on which the Bank is lawfully closed.

(f) Sufficient proceeds received from the first Advance on the date of issuance of the Bonds shall be applied to pay costs of issuance of the Bonds. All other proceeds received from the first Advance, as well as proceeds received from all subsequent Advances, shall be deposited in the "City of Miami Gardens Equipment Acquisition Revenue Bonds, Series 2009 Project Fund" (the "Project Fund"), hereby created, and used only for the costs of the Project, with no further approval of the City Council necessary for any such Advance.

(g) Pending their use, the proceeds in the Project Fund may be invested in Authorized Investments, maturing not later than the date or dates on which such proceeds will be needed for the purposes of this Bond Resolution. Subject to Section 14 hereof, any income received upon such investment shall be deposited in the Project Fund and applied to costs of the Project or, at the option of the City, deposited in the Bond Fund and used to pay interest on the Bonds until completion of the Project. Subject to Section 14 hereof, after the completion of the Project, any remaining balance of proceeds of the Bonds shall be deposited into the Bond Fund and used solely to pay interest on the Bonds.

(h) The Project Fund shall be kept separate and apart from all other funds of the City and the moneys on deposit therein shall be withdrawn, used and applied by the City solely for the purposes set forth herein. Pending such application, the Project Fund shall be subject to the lien of the Owners of the Bonds for the payment of the principal of and interest on the Bonds.

(i) The registered Owners shall have no responsibility for the use of the proceeds of the Bonds, and the use of such Bond proceeds by the City shall in no way affect the rights of such registered Owners. The City shall be obligated to apply the proceeds of the Bonds solely for financing costs of the Project. However, the City shall be irrevocably obligated to continue to pay the principal of and interest on the Bonds notwithstanding any failure of the City to use and apply such Bond proceeds in the manner provided herein.

SECTION 13. FUNDS: Each of the funds and accounts herein established and created shall constitute trust funds for the purposes provided herein for such funds and accounts respectively. The money in such funds and accounts shall be continuously secured in the same manner as deposits of City funds are authorized to be secured by the laws of the State of Florida. Except as otherwise provided in Section 12 hereof, earnings on any investments in any amounts on any of the funds and accounts herein established and created shall be credited to such respective fund or account.

The designation and establishment of the funds and accounts in and by this Bond Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds, as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues and assets of the City for the purposes herein provided and to establish certain priorities for application of such revenues and assets.

SECTION 14. INVESTMENTS AND USE OF PROCEEDS TO COMPLY WITH INTERNAL REVENUE CODE OF 1986: The City covenants to the Owners of the Bonds that it will take all actions and do all things necessary and desirable in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, and shall refrain from taking any actions that would cause interest on the Bonds to be included in gross income for federal income tax purposes. In particular, the City will not make or direct the making of any investment or other use of the proceeds of the Bonds which would cause such Bonds to be

"private activity bonds" as that term is defined in Section 141 (or any successor provision thereto) of the Code or "arbitrage bonds" as that term is defined in Section 148 (or any successor provision thereto) of the Code, and all applicable regulations promulgated under the Code, and that it will comply with the applicable requirements of Sections 141 and 148 of the Code and the aforementioned regulations throughout the term of the Bonds.

SECTION 15. DESIGNATION UNDER SECTION 265(b)(3) OF THE CODE: The City hereby designates the Bonds as qualified tax-exempt obligations under Section 265(b)(3) of the Code, and shall make all necessary filings in order to effectuate such election. The City represents that neither the City nor any subordinate entities or entities issuing tax-exempt obligations on behalf of the City within the meaning of Section 265(b)(3) of the Code have issued tax-exempt obligations during calendar year 2009 and neither the City nor any such entities expect to issue tax-exempt obligations during calendar year 2009, other than the Bonds.

SECTION 16. ARBITRAGE REBATE COVENANTS: There is hereby created and established a fund to be held by the City, designated the "City of Miami Gardens Equipment Acquisition Revenue Bonds, Series 2009 Rebate Fund" (the "Rebate Fund"). The Rebate Fund shall be held by the City separate and apart from all other funds and accounts held by the City under this Resolution and from all other moneys of the City.

Notwithstanding anything in this Resolution to the contrary, the City shall transfer to the Rebate Fund the amounts required to be transferred in order to comply with the Tax Certificate or the Rebate Covenants, if any, attached as an Exhibit to the Tax Certificate to be delivered by the City on the date of delivery of the Bonds (the "Rebate Covenants"), when such amounts are so required to be transferred. The City Manager shall make or cause to be made payments from the Rebate Fund of amounts required to be deposited therein to the United States of America in the amounts and at the times required by the Rebate Covenants. The City covenants for the benefit of the Owners of the Bonds that it will comply with the Rebate Covenants. The Rebate Fund, together with all moneys and securities from time to time held therein and all investment earnings derived therefrom, shall be excluded from the pledge and lien of this Resolution. The City shall not be required to comply with the requirements of this Section 16 in the event that the City obtains an opinion of nationally recognized bond counsel that (i) such compliance is not required in order to maintain the federal income tax exemption of interest on the Bonds and/or (ii) compliance with some other requirement is necessary to maintain the federal income tax exemption of interest on the Bonds.

SECTION 17. SPECIAL COVENANTS OF THE CITY; ADDITIONAL BONDS TEST:

(a) The City shall, upon receipt by the City or within two hundred seventy (270) days of each fiscal year end, whichever is sooner, provide the Owners of the Bonds with a printed copy of its Comprehensive Annual Financial Report, its current year operating budget and its capital improvement plan. The City shall also provide to the Owners of the Bonds any other financial information reasonably requested by such Owners.

(b) The City will not issue any additional obligations secured by the Pledged Revenues, unless (i) the ratio of the amount of Pledged Revenues collected during each of the preceding two fiscal years of the City divided by the Maximum Annual Debt Service on all Debt Obligations secured by the Pledged Revenues and on the Debt Obligations proposed to be issued, is at least equal to 1.50, (ii) no Event of Default exists hereunder and (iii) the other covenants of the City contained herein will continue to be met. For purposes of determining compliance with (i) above, the assumptions set forth in Section 8(c) and the definitions set forth in Section 8(b) of this Resolution shall apply.

SECTION 18. COVENANTS BINDING ON CITY AND SUCCESSOR: All covenants, stipulations, obligations and agreements of the City contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time and upon the officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the City or upon the City Council by the provisions of this Resolution shall be exercised or performed by the City Council or by such officers, board, body or commission as may be required by law to exercise such powers or to perform such duties.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member of the City Council or officer, agent or employee of the City in his or her individual capacity, and neither the members of the City Council nor any officer, agent or employee of the City executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 19. EVENTS OF DEFAULT: Each of the following events is hereby declared an "event of default":

(a) payment of the principal of any of the Bonds shall not be made when the same shall become due and payable; or

(b) payment of any installment of interest on any of the Bonds shall not be made when the same shall become due and payable; or

(c) the City shall default in the due and punctual performance of any covenant, condition, agreement or provision contained in the Bonds or in this Resolution (except for a default described in subsection (a) or (b) of this Section) on the part of the City to be performed, and such default shall continue for sixty (60) days after written notice specifying such default and requiring same to be remedied shall have been given to the City by any Owner of any bond; provided that it shall not constitute an event of default if the default is not one that can be

cured within such sixty (60) days, as agreed by the Bondholders and the City, and the City commences within such sixty (60) days and is proceeding diligently with action to correct such default;

(d) any proceeding shall be instituted with the consent of the City for the purpose of effecting a composition between the City and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted and such proceedings shall not have been dismissed within thirty (30) days after the institution of the same; or

(e) a payment default occurs under any other debt or obligation of the City which is secured by the Pledged Revenues.

SECTION 20. REMEDIES; RIGHTS OF BONDHOLDERS:

(a) Upon the occurrence and continuance of any event of default specified in Section 19(a), (b) or (e) hereof, the Owners of the Bonds may declare all payments of principal and accrued interest to be immediately due and payable, whereupon the same shall become immediately due and payable.

(b) Upon the occurrence and continuance of any event of default specified in Section 19(c) or (d) hereof, the Owners of the Bonds may pursue any available remedy by suit, at law or in equity, to enforce the payment of the principal of and interest on the Bonds then outstanding.

No delay or omission to exercise any right or power accruing upon any default or event of default shall impair any such right or power or shall be construed to be a waiver of any such default or event of default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any event of default hereunder shall extend to or shall affect any subsequent event of default or shall impair any rights or remedies consequent thereon.

The City agrees, to the extent permitted by law, to indemnify the Bank and its directors, officers, employees and agents from any against any losses, claims, damages, liabilities and expenses (including, without limitation, counsel fees and expenses) which may be incurred in connection with enforcement of the provisions of this Resolution and the Bonds.

SECTION 21. DEFEASANCE:

(a) The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Bonds in any one or more of the following ways.

(i) by paying the principal of, prepayment premium, if any, and interest on the Bonds when the same shall become due and

payable; or

(ii) by depositing with an escrow agent certain moneys irrevocably pledged to the payment of the Bonds, which together with other moneys lawfully available therefor, if any, shall be sufficient at the time of such deposit with the escrow agent to pay when due the principal, prepayment premium, if any, and interest due and to become due on said Bonds on or prior to the prepayment date or maturity date thereof; or

(iii) by depositing with an escrow agent moneys irrevocably pledged to the payment of the Bonds, which together with other moneys lawfully available therefor, when invested by the escrow agent in direct obligations of the United States of America which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof, will provide moneys which shall be sufficient (as evidenced by a verification report of an independent certified public accountant or firm of accountants) to pay when due the principal, prepayment premium, if any, and interest due and to become due on said Bonds on or prior to the prepayment date or maturity date thereof.

Upon such payment or deposit with an escrow agent in the amount and manner provided in this Section 21, the Bonds shall be deemed to be paid and shall no longer be deemed to be Outstanding for the purposes of this Resolution and the covenants of the City hereunder and all liability of the City with respect to said Bonds shall cease, terminate and be completely discharged and extinguished and the holders thereof shall be entitled to payment solely out of the moneys or securities so deposited with the escrow agent; provided, however, that (i) if any Bonds are to be redeemed prior to the maturity thereof, notice of the redemption thereof shall have been duly given in accordance with the provisions of Section 3 hereof and (ii) in the event that any Bonds are not by their terms subject to redemption with the next succeeding sixty (60) days following a deposit of moneys with the escrow agent in accordance with this Section, the City shall have given the escrow agent in form satisfactory to it irrevocable instructions to mail to the Owners of such Bonds at their addresses as they appear on the registration books of the City, a notice stating that a deposit in accordance with this Section has been made with the escrow agent and that the Bonds are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on said Bonds.

(b) Notwithstanding the foregoing, all references to the discharge and satisfaction of Bonds shall include the discharge and satisfaction of any portion of the Bonds.

(c) If any portion of the moneys deposited with an escrow agent for the payment of the principal of, redemption premium, if any, and interest on

any portion of the Bonds is not required for such purpose, the escrow agent shall transfer to the City the amount of such excess and the City may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Bonds or otherwise existing under this Resolution.

(d) Notwithstanding any of the foregoing, the requirements of Sections 14 and 16 hereof relating to use and investment of proceeds and rebate amounts due to the United States pursuant to the Rebate Covenants shall survive the payment of principal and interest with respect to the Bonds or any portion thereof.

SECTION 22. SALE OF BONDS: Based upon the uncertainty of the interest rate environment if sale of the Bonds is delayed, the City hereby determines and finds the necessity for a negotiated sale of the Bonds. The City has been provided all applicable disclosure information required by Section 218.385, Florida Statutes. The negotiated sale of the Bonds is hereby approved to the Bank at a purchase price of par.

SECTION 23. AUTHORITY OF OFFICERS: The Mayor, the City Manager and the City Clerk are and each of them is hereby authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transaction contemplated by this Resolution and the other documents identified herein.

SECTION 24. SEVERABILITY: In case any one or more of the provisions of this Resolution or of any Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution or of the Bonds, but this Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The Bonds are issued and this Resolution is adopted with the intent that the laws of the State shall govern their construction.

SECTION 25. PAYMENTS DUE ON SATURDAYS, SUNDAYS AND HOLIDAYS: In any case where the date of maturity of interest on or principal of the Bonds shall be a Saturday, Sunday or a day on which the banks in the State are required, or authorized or not prohibited, by law (including executive orders) to close and are closed, then payment of such interest or principal need not be made by the City on such date but may be made on the next succeeding business day on which the banks in the State are open for business, but such interest shall continue to accrue until payment is received by the Owners of the Bonds.

SECTION 26. OPEN MEETING FINDINGS: It is hereby found and determined that all official acts of the City Council concerning and relating to the adoption of this Resolution and all prior resolutions affecting the City Council's ability to issue the Bonds were taken in an open meeting of the City Council and that all deliberations of the City Council or any of its committees that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements, including Section 286.011, Florida Statutes.

SECTION 27. REPEALING CLAUSE: All resolutions and parts thereof in conflict herewith, to the extent of such conflicts, are hereby superseded and repealed.

SECTION 28. WAIVER OF JURY TRIAL: To the extent permitted by applicable law, the City, knowingly, voluntarily and intentionally waives any right it may have to a trial by jury in respect of any litigation based on, or arising out of, under or in connection with this Resolution, the Bonds or any agreement contemplated to be executed in connection with this Resolution, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of the City or the Bank with respect hereto. The City acknowledges that this provision is a material inducement to the Bank to purchase the Bonds.

SECTION 29. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage and adoption.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS AT ITS REGULAR MEETING HELD ON JANUARY 28, 2009.

SHIRLEY GIBSON, MAYOR

ATTEST:

RONETTA TAYLOR, MMC, CITY CLERK

Prepared by ADORNO & YOSS LLP, Bond Counsel

SPONSORED BY: DANNY O. CREW, CITY MANAGER

MOVED BY: Councilman Gilbert
SECOND BY: Councilman Campbell

VOTE: 7-0

Mayor Shirley Gibson	X (Yes)	___(No)
Vice Mayor Barbara Watson	X (Yes)	___(No)
Councilman Melvin L. Bratton	X (Yes)	___(No)
Councilman Aaron Campbell, Jr.	X (Yes)	___(No)
Councilman Oliver Gilbert III	X (Yes)	___(No)
Councilwoman Sharon Pritchett	X (Yes)	___(No)
Councilman Andre L. Williams	X (Yes)	___(No)

EXHIBIT "A"

PREPAYMENT PENALTY

Any applicable prepayment penalty on the Bonds shall be calculated in accordance with the following:

"Break Event" means the optional or mandatory prepayment or acceleration, in whole or in part, of the principal of the Bonds occurring prior to the date such principal would, but for that prepayment or acceleration, have become due (a "Scheduled Due Date"). For each date on which a Break Event occurs (a "Break Date"), a Breakage Fee shall be due to the owners of the Bonds only if the rate under "A" below exceeds the rate under "B" below, such Breakage Fee to be determined as follows:

Breakage Fee = the Present Value of [(A-B) x C], plus LIBOR Breakage, where:

A = A rate per annum equal to the sum of [i] the bond equivalent yield (bid side) of the U.S. Treasury security with a maturity closest to the Maturity Date as reported by the Wall Street Journal (or other published source) on the date the Fixed Rate on the Bonds was set (the "Lock -in Date") plus [ii] the corresponding swap spread of the Bank on the Lock-in Date for fixed rate payor to pay the Bank the fixed rate side of an interest rate swap of that maturity, plus [iii] 0.25%.;

B = A rate per annum equal to the sum [i] the bond equivalent yield (bid side) of the U.S Treasury security with a maturity closest to the Maturity Date as reported by the Wall Street Journal (or other published source) on the Break Date, plus [ii] the corresponding swap spread that the Bank determines another swap dealer would quote to the Bank on the Break Date for paying to the Bank the fixed rate side of an interest rate swap of that maturity;

C = The sum of the products of [i] each Affected Principal Amount for each Affected Principal Period, times [ii] the number of days in the Affected Principal Period divided by 360;

"Affected Principal Amount" for an Affected Principal Period is the principal amount of the Bonds scheduled to be outstanding during that Affected Principal Period determined as of the relevant Break Date before giving effect to the Break Event on that Break Date, and for any prepayment, multiplying each such principal amount times the Prepayment Fraction.

"Affected Principal Period" is each period from and including a Scheduled Due Date to but excluding the next succeeding Scheduled Due Date, provided that the first such period shall begin on and includes the Break Date.

"Libor Breakage" is any additional loss, cost or expense that the Bank may incur with respect to any hedge for the Fixed Rate on the Bonds based on the difference

between the London interbank offered rate (for U.S. dollar deposits of the relevant maturity) available in the London interbank market at the beginning of the interest period in which the Break Date occurs and that which is available in that market on the Break Date.

"Maturity Date" is the date on which the final payment of principal of the Bonds would, but for any Break Event, have become due.

"Prepayment Fraction" is a fraction equal to the principal amount being prepaid over the principal amount of the Bonds outstanding immediately prior to that prepayment on the Break Date.

"Present Value" is determined as of the Break Date using "B" above as the discount rate.

In addition, a Break Event shall be deemed to occur hereunder if, on any date ("Borrowing Date") prior to any acceleration of the Bonds, any advance of principal under the Bonds is scheduled to be made and that advance fails to be made on that Borrowing Date (whether due to the City's default, the City's failure to borrow, the termination of any loan commitment, any unsatisfied condition precedent, or otherwise), in which case that Borrowing Date shall be a Break Date, the Affected Principal Amount for that Break Event shall be based on the amount of the failed advance, and the City shall on demand pay to the Bank any Breakage Fee due hereunder for that Break Event.

Breakage Fees are payable as liquidated damages, are a reasonable pre-estimate of the losses, costs and expenses Bank would incur in the event of any prepayment or acceleration of the Bonds, are not a penalty, will not require claim for, or proof of, actual damages, and Bank's determination thereof shall be conclusive and binding in the absence of manifest error. For any Break Event hereunder, the foregoing Breakage Fee provisions supersede any breakage compensation agreement that City and Bank may have executed with respect to the Bonds.

1515 NW 167 Street, Building 5 Suite 200
Miami Gardens, Florida 33169

City of Miami Gardens
Agenda Cover Memo

Council Meeting Date:	*January 28, 2009*		**Item Type:**	**Resolution**	**Ordinance**		**Other**	
				X				
Fiscal Impact:	Yes	No	**Ordinance Reading:**		**1st Reading**		**2nd Reading**	
	X		**Public Hearing:**		**Yes**	**No**	**Yes**	**No**
Funding Source:	*General Services Fund – Fleet Department*		**Advertising Requirement:**		**Yes**		**No**	
					X			
Contract/P.O. Required:	Yes	No	**RFP/RFQ/Bid #:**		*RFP#08-09-0016 Financing Proposal*			
	X							
Sponsor Name	Dr. Danny Crew, City Manager		**Department:**		*Finance Department*			

Short Title:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE ISSUANCE OF EQUIPMENT ACQUISITION REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF TWO MILLION DOLLARS ($2,000,000) FOR THE PURPOSE OF FINANCING OR REIMBURSING A PORTION OF THE COSTS OF PURCHASING VEHICLES, EQUIPMENT AND MACHINERY FOR VARIOUS CITY DEPARTMENTS, AND PAYING COSTS OF ISSUANCE OF THE BONDS; AWARDING THE SALE OF THE BONDS TO WACHOVIA BANK, NATIONAL ASSOCIATION; PROVIDING FOR SECURITY FOR THE BONDS; CONTAINING OTHER PROVISIONS RELATING TO THE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR ADOPTION OF REPRESENTATIONS; REPEALING ALL RESOLUTIONS IN CONFLICT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

1515 NW 167 Street, Building 5 Suite 200
Miami Gardens, Florida 33169

Staff Summary:

The City requires financing to acquire approximately $2 Million for certain major capital equipment and vehicles for various City Departments including Stormwater, Police, Public Works and Parks Departments. The City Council approved the debt as well as the acquisition of the equipment in the FY 2008-09 budget.

Staff prepared the proposal document RFP#08-09-016 and advertised on November 10, 2008. A broadcast notice was sent to 502 vendors. Twenty-two proposal packages were requested. The proposals were opened on November 26, 2008. Three proposals were received and publicly read. Proposals were received from Colonial Bank, Miami, Florida; TD Equipment Finance, Inc. Ft. Lauderdale, Florida; and Wachovia Bank, NA, Miami, Florida. A copy of the proposal document and submittals are available at the assistant to the mayor and council's office for review.

An evaluation committee consisting of Danny Crew, City Manager and William Alonso, Finance Director evaluated the proposals in accordance with the criteria. The committee met on December 3, 2008, to discuss the criteria. Mr. Alonso provided the committee with a spreadsheet which included type of facility, draw down rate, fixed rate, bank fees, and prepayment penalties.

After considering the responses and the City's needs, the Committee has ranked as number one, the proposal received from Wachovia Bank NA.

In reaching the ranking, the committee considered a number of factors including: interest rates, call terms, collateral requirements, debt coverage requirements and flexibility and ease of utilization and creativity in financing. The top ranked proposal offers the best all-around approach to our potential borrowing needs as well ad providing the lowest interest rate of the three proposals received.

Proposed Action:

That the City Council approve the resolution authorizing the issuance of equipment acquisition revenue bonds in the principal amount of two million dollars.

Attachment:

The spread sheet is attached as exhibit A.

ANALYSIS OF RESPONSES
$2 MILLION DEBT PROPOSAL

Financial Institution	Type of Facility	Amount	Security	Draw down rate	Fixed rate	Bank fees	Attorney fees**	Prepayment Penalties
1) Wachovia	Term Loan	$2,000,000	Half cent sales tax and Communications Services tax	One month LIBOR+50 basis points **Current: 1.93%**	5 year US Dollar Swap Offering +15 basis points% **Current: 3.26%**	$ 3,500	$ 15,000 $7,500	Yes
2) TD Equipment Finance	Capital Lease	$2,000,000	Equipment purchased	N/A	**4.046%**	$ -	$7,500	Yes
3) Colonial Bank	Term Loan	$2,000,000	Half cent sales tax and Communications Services tax	One month LIBOR+3% times 64.6% **Current: 2.89%**	5 year US Dollar Swap Offering +2% times 64.5% **Current: 3.48**	$ 2,500	$ 15,000 $ 7,500	None

** Our bond attorney will charge $15,000 if he prepares the documents or $7,500 if he reviews the documents prepared by the bank.