

CITY OF MARGATE, FLORIDA

RESOLUTION NO. 2025-____

A RESOLUTION OF THE CITY OF MARGATE, FLORIDA DETERMINING CERTAIN DETAILS OF NOT TO EXCEED \$60,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS WATER AND WASTEWATER IMPROVEMENT REVENUE BONDS, SERIES 2025; PROVIDING FOR THE SECURITY OF SAID BONDS; AUTHORIZING THE NEGOTIATED SALE OF THE BONDS TO THE UNDERWRITER NAMED HEREIN AND WAIVING COMPETITIVE BIDDING; APPROVING THE FORM AND EXECUTION OF A BOND PURCHASE CONTRACT; DELEGATING CERTAIN AUTHORITY TO THE CITY MANAGER FOR THE APPROVAL OF THE TERMS AND DETAILS OF SAID BONDS; APPOINTING A PAYING AGENT AND REGISTRAR FOR SAID BONDS; AUTHORIZING AND APPROVING THE FORM OF A BOND PAYING AGENT AND REGISTRAR AGREEMENT; AUTHORIZING AND APPROVING THE FORM AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT; AUTHORIZING THAT SAID BONDS MAY BE INSURED BY A MUNICIPAL BOND INSURANCE POLICY AND THAT THE RESERVE REQUIREMENT THEREFOR MAY BE SATISFIED THROUGH THE PROVISION OF DEBT SERVICE RESERVE SURETY POLICY; APPOINTING A DISCLOSURE DISSEMINATION AGENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING A BOOK-ENTRY REGISTRATION SYSTEM FOR THE BONDS PROVIDING FOR THE APPLICATION AND INVESTMENT OF CERTAIN FUNDS; AUTHORIZING PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission (the “Commission”) of the City of Margate, Florida (the “City”) on February 19, 2025, enacted Ordinance No. 2025-1 (the “Bond Ordinance”) that

authorized the issuance of not exceeding \$120,000,000 Water and Wastewater Improvement Revenue Bonds, in one or more series; and

WHEREAS, as part of the Bond Ordinance, the City has authorized and made provision for the issuance of up to \$60,000,000 in aggregate principal amount of its Water and Wastewater Improvement Revenue Bonds, Series 2025 (the "Series 2025 Bonds") under and pursuant to the terms of the Bond Ordinance, for the purposes of financing all or a portion of the cost constructing, acquiring and equipping certain improvements to the Water and Wastewater System, as defined in the Ordinance, as described more particularly in Exhibit "A" hereto (the "Series 2025 Project"); and

WHEREAS, the Series 2025 Bonds shall be on a parity in all respects with any Additional Bonds, as defined in the Bond Ordinance, that may be issued from time to time under and pursuant to the Bond Ordinance; and

WHEREAS, the issuance of the Series 2025 Bonds has been duly approved by a majority of the votes of the qualified electors of the City cast in an election held for that purpose on November 5, 2024; and

WHEREAS, the City desires to set forth certain details regarding the Series 2025 Bonds and the manner of sale thereof and to take certain other actions relating to the issuance of the Series 2025 Bonds; and

WHEREAS, for the reasons more fully set forth herein, the Commission finds and determines it to be in the best interest of the City to authorize the sale of the Series 2025 Bonds on the basis of a negotiated sale rather than a public sale by competitive bid; and

WHEREAS, the Commission hereby determines to waive competitive bidding for the appointment of the underwriters for the Series 2025 Bonds, due to the City's limited historical activity in the capital markets and the potential need for additional investor pre-marketing, and the recommendation of the City's Financial Advisor that the sale of the Series 2025 Bonds be by negotiation, a negotiated sale of the Series 2025 Bonds is found to be in the best interest of the City; and

WHEREAS, there have been prepared with respect to the proposed issuance and negotiated sale of the Series 2025 Bonds and submitted to the City forms of:

- (a) a Bond Purchase Contract, the form of which is attached hereto as Exhibit "B" (the "Bond Purchase Contract"); and
- (b) a Paying Agent and Registrar Agreement, the form of which is attached hereto as Exhibit "C" (the "Paying Agent Agreement"); and
- (c) a Preliminary Official Statement relating to such Series 2025 Bonds, the form of which is attached hereto as Exhibit "D" (the "Preliminary Official Statement"); and

- (d) a Continuing Disclosure Agreement, the form of which is attached hereto as Exhibit “E” (the “Continuing Disclosure Agreement”) relating to the continuing disclosure of the Series 2025 Bonds as required under Section 15(c)2-12 of the Security and Exchange Act of 1933.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF MARGATE, FLORIDA AS FOLLOWS:

SECTION 1. DEFINITIONS. All terms used herein in capitalized form, unless otherwise defined herein, shall have the meanings ascribed to them in the Bond Ordinance.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Act and the Bond Ordinance and shall constitute the Supplemental Resolution under the Bond Ordinance with respect to the Series 2025 Bonds.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared that:

A. The findings and declarations of the City are contained in the Bond Ordinance and the foregoing findings contained in the Whereas clauses of this Resolution are hereby incorporated herein and made a part of this Resolution.

B. Due to the City’s limited historical activity in the capital markets and the potential need for additional investor pre-marketing, and the recommendation of the Financial Advisor that the sale of the Series 2025 Bonds be by negotiation, a negotiated sale of the Bonds is found to be in the best interest of the City and is hereby authorized in order to permit the City to enter the market at the most advantageous time and obtain the best possible price and interest rates for the Series 2025 Bonds.

C. The Series 2025 Bonds will not be issued unless all applicable requirements of the Bond Ordinance are satisfied on or prior to the issuance of the Series 2025 Bonds and, upon issuance in accordance with the terms thereof, the Series 2025 Bonds will constitute Bonds under the Bond Ordinance and will be entitled to all the security and benefits thereof.

D. It is necessary and appropriate that the City determine certain parameters for the terms and details of the Series 2025 Bonds and to delegate certain authority to the City Manager for the award of the Series 2025 Bonds and the approval of the terms of the 2025 Bonds in accordance with the provisions hereof and of the Bond Purchase Contract.

SECTION 4. RESOLUTION TO CONSITUTE A CONTRACT. In consideration of the acceptance of the Series 2025 Bonds authorized to be issued under the Bond Ordinance and this Resolution by those who shall hold the same from time to time, the Bond Ordinance and this Resolution shall be deemed to be and shall constitute a contract between the City and the registered owners of the Series 2025 Bonds. The covenants and agreements set forth the Bond Ordinance and this Resolution to be performed by the City shall be for the equal benefit, protection and security of the registered owners of the Series 2025 Bonds, and each of the Series 2025 Bonds shall be of

equal rank with all of the other Series 2025 Bonds and with all other Bonds Outstanding under the Bond Ordinance without preference, priority or distinction over any other thereof. All covenants contained in the Bond Ordinance are incorporated herein by reference and shall be fully applicable to the Series 2025 Bonds.

SECTION 5. AUTHORIZATION OF THE SERIES 2025 PROJECT; REIMBURSEMENT. The acquisition, construction and equipping of the Series 2025 Project, as described in Exhibit “A” attached hereto and incorporated herein, and the financing or reimbursement of Costs thereof from proceeds of the Series 2025 Bonds is hereby authorized and approved. Costs of the Series 2025 Project incurred by the City heretofore or hereafter may be reimbursed from proceeds of the Series 2025 Bonds in accordance with the applicable provisions of the Code, is hereby authorized. The City hereby authorizes the proceeds of the Series 2025 Bonds as provided in Section 3.4 of the Bond Ordinance, be applied in the amounts set forth in a certificate signed by the City Manager.

SECTION 6. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2025 BONDS.

A. As provided in Section 2.2 of the Bond Ordinance, the City authorizes the issuance of not to exceed SIXTY MILLION (\$60,000,000) aggregate principal amount of the Series 2025 Bonds to be designated as “City of Margate, Florida Water and Wastewater Improvement Revenues Bonds, Series 2025” for the principal purposes of (i) financing all or a portion of the cost of the construction, reimbursement, acquisition and equipping of the Series 2025 Project, including engineering, environmental, legal and other planning costs related thereto, and (ii) paying certain expenses related to the issuance and sale of the Series 2025 Bonds, including the cost of a Bond Insurance Policy.

B. The City Manager is authorized to modify the series designation of such Series 2025 Bonds, in his discretion, prior to the issuance thereof to the extent necessary or desirable. The City Manager, upon the recommendations of the Finance Director and the Financial Advisor, and subject to the limitations contained herein, shall determine the aggregate principal amount of the Series 2025 Bonds to be issued and may determine to issue the Series 2025 Bonds as Serial Bonds or Term Bonds or any combination thereof, and if there are any Term Bonds, the Amortization Requirements, thereof, such determinations to be evidenced in the City Manager’s Certificate.

C. The City has determined that there shall be no deposit made to the Debt Service Reserve Account and that the Series 2025 Bonds shall not be secured by the Debt Service Reserve Account. The City Manager is authorized to secure a Bond Insurance Policy from a Bond Insurer, and to determine if all or a portion of such Series 2025 Bonds shall be subject to such Bond Insurance Policy on the recommendations of the Finance Director and Financial Advisor, and subject to the limitations contained herein and in the Bond Ordinance. The City Manager is authorized to enter into any agreements regarding such Bond Insurance Policy as authorized herein.

D. The Series 2025 Bonds shall be dated as of their date of delivery (or such other date as the City Manager may determine), shall be numbered consecutively from one upward in order of maturity preceded by the letter “R,” shall be issued in the form of fully registered bonds in denominations of \$5,000 and any integral multiple thereof, shall be initially in book-entry only form of registration through the book-entry only system maintained by The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository, shall bear interest from their date of delivery (or such other date as the City Manager may determine), payable semi-annually on April 1, and October 1, each Interest Payment Date, commencing on April 1, 2026 (or such other date as the City Manager may determine). The Series 2025 Bonds shall bear interest computed on the basis of a 360-day year consisting of twelve 30-day months.

E. So long as the City shall maintain a book-entry-only system with respect to the Series 2025 Bonds, the following provisions shall apply:

The Series 2025 Bonds shall initially be issued in the name of Cede & Co. as nominee for DTC, which will act as securities depository for the Series 2025 Bonds and so long as the Series 2025 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof. On original issue, the Series 2025 Bonds shall be deposited with DTC, which shall be responsible for maintaining a book-entry-only system for recording the ownership interests of its participants (“DTC Participants”), and other institutions who clear through or maintain a custodial relationship with DTC Participants (“Indirect Participants”). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2025 Bonds (“Beneficial Owners”).

Principal and interest shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments to Indirect Participants shall be the responsibility of DTC Participants, and payments by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Paying Agent or the City.

The Series 2025 Bonds shall initially be issued in the form of one fully registered Series 2025 Bond for each maturity thereof and shall be held in such form until maturity or earlier redemption. Individuals may purchase beneficial interests in the amount of \$5,000 or integral multiples thereof in book-entry-only form, without certificated Series 2025 Bonds, through the DTC Participants and Indirect Participants. The form of the Series 2025 Bonds shall be as set forth in the Bond Ordinance, with such changes as required by the terms of the Series 2025 Bonds.

DURING THE PERIOD FOR WHICH CEDE & CO. IS REGISTERED OWNER OF THE SERIES 2025 BONDS, ANY NOTICE TO BE PROVIDED TO ANY REGISTERED OWNER WILL BE PROVIDED TO CEDE & CO. DTC SHALL BE RESPONSIBLE FOR NOTICE TO DTC PARTICIPANTS AND DTC PARTICIPANTS SHALL BE

RESPONSIBLE FOR NOTICE TO INDIRECT PARTICIPANTS, AND DTC PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICE TO INDIVIDUAL PURCHASERS OF BENEFICIAL INTERESTS

F. The Series 2025 Bonds may be redeemed prior to their respective maturities from any money legally available therefore, upon notice as provided in the Bond Ordinance, and upon the terms and provisions as shall be determined by the City Manager and provided in the City Manager's Certificate and the Bond Purchase Contract, upon the advice of the Financial Advisor. The City Manager, upon the advice of the Financial Advisor, shall also determine which Series 2025 Bonds, if any, shall be subject to optional redemption. Term Bonds and the Amortization Requirements thereto may be established in accordance with the terms of the Bond Purchase Contract and the City Manager's Certificate.

G. Prior to or at the time of the execution of the Bond Purchase Contract, the City Manager shall execute the City Manager's Certificate described in Section hereof.

SECTION 7. NEGOTIATED SALE OF SERIES 2025 BONDS; DESIGNATION OF UNDERWRITERS; AWARD OF THE SERIES 2025 BONDS.

A. **Negotiated Sale.** The City Manager, after consultation with the Finance Director and the Financial Advisor, recommends that due to the City's limited historical activity in the capital markets and the potential need for additional investor pre-marketing, that the sale of the Series 2025 Bonds be by a negotiated sale, rather than by competitive bid, is found to be in the best interest of the City and is hereby authorized in order to permit the City to enter the market at the most advantageous time and obtain the best possible price and interest rates for the Series 2025 Bonds.

B. **Designation of Underwriters.** The City Manager, after consultation with the Financial Advisor, further recommends that Hilltop Securities Inc., Loop Capital Markets, LLC and Ramirez & Company, Inc., be designated as underwriters for the Series 2025 Bonds (the "Underwriters"). The Series 2025 Bonds are hereby awarded to the Underwriters, subject to the conditions set forth in paragraph C below and elsewhere in this Resolution.

C. **Conditions to Sale and Execution of the Bond Purchase Contract.** The Bond Purchase Contract shall not be executed by the City Manager until such time as all of the following conditions have been satisfied:

1. Receipt by the City Manager of a written offer to purchase the Bonds by the Underwriters substantially in the form of the Bond Purchase Contract attached hereto as Exhibit "B". Prior to or at the time of the execution of the Bond Purchase Contract, the City Manager shall execute the City Manager's Certificate, upon the recommendations of the Finance Director, Bond Counsel and the Financial Advisor, setting forth certain terms of the Series 2025 Bonds including, but not limited to: (i) the dated date of the Series 2025 Bonds, (ii) the principal

amount of the Bonds, but not exceeding \$60,000,000; (iii) interest payment dates, interest rates, but not to exceed an aggregate true interest cost rate on the Series 2025 Bonds of 5.50%; (iv) an underwriting discount (including management fee and expenses, but not including original issue discount or premium) not in excess of 0.50% of the aggregate par amount of the Series 2025 Bonds; (v) maturities, but not later than thirty (30) years after the issuance date of the Series 2025 Bonds, and (vi) Amortization Requirements, if any, and any optional redemption provisions. The City Manager's Certificate may also provide for the purchase of a Bond Insurance Policy for all or a portion of the Series 2025 Bonds, based upon the recommendations of the Financial Advisor and the Finance Director.

2. With respect to optional redemption terms, if any, for the Series 2025 Bonds, the first optional redemption date may be no later than October 1, 2036, and there shall be no call premium. Term Bonds may be established for the Series 2025 Bonds with such Amortization Requirements as the City Manager may determine upon the advice of the Financial Advisor and the Finance Director.

3. With respect to any Bond Insurance Policy the City Manager is authorized to execute an Agreement Regarding Bond Insurance, as applicable, to provide for covenants of the City with respect to the Series 2025 Bonds. Such Agreement and covenants of the City in connection therewith, shall have the same effect as if included in this Resolution.

4. Receipt by the City Manager of a disclosure statement and a truth-in-bonding statement of the Underwriters dated the date of the Bond Purchase Contract and complying with Section 218.385, Florida Statutes.

5. Receipt by the City Manager from the Underwriters of a good faith deposit in an amount at least equal to 1.00% of the preliminary aggregate principal amount of the Series 2025 Bonds set forth on the cover page of the hereinafter described Preliminary Official Statement.

Upon satisfaction of all the requirements set forth in this paragraph C, the City Manager is authorized to execute and deliver the Bond Purchase Contract containing terms complying with the provisions of this paragraph C, the City Manager's Certificate and the Series 2025 Bonds shall be sold to the Underwriters pursuant to the provisions of such Bond Purchase Contract.

SECTION 8. PRELIMINARY OFFICIAL STATEMENT; OFFICIAL STATEMENT.

A. The City hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as Exhibit "D" in connection with the offering of the Series 2025 Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement, it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, the City Manager is hereby

authorized to approve such insertions, modifications or changes. The City Manager is hereby authorized to deem the Preliminary Official Statement “final” within the meaning of Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934 in the form as posted. Execution of a certificate by the City Manager deeming the Preliminary Official Statement “final” as described above shall be conclusive evidence of the approval of any insertions, modifications or changes.

B. Subject in all respects to the award of the Series 2025 Bonds in accordance with Section 7 C hereof, the City Manager is hereby authorized and directed to execute and deliver a final Official Statement, dated the date of the sale of the Series 2025 Bonds, which shall be in substantially the form of the Preliminary Official Statement relating to the Series 2025 Bonds, in the name and on behalf of the City, and thereupon to cause such Official Statement to be delivered to the Underwriter with such insertions, modifications, changes amendments, omissions and additions as may be approved by the City Manager. Said Official Statement, including any such insertions, modifications, changes amendments, omissions and additions as approved by the City Manager, and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2025 Bonds to the public. Execution by the City Manager of the Official Statement shall be deemed to be conclusive evidence of approval of such insertions, modifications, changes amendments, omissions and additions.

SECTION 9. APPOINTMENT OF PAYING AGENT AND REGISTRAR. The U.S. Bank Trust Company, National Association, Jacksonville, Florida is hereby designated as Registrar and Paying Agent for the Bonds. The City Manager is hereby authorized to enter into the Paying Agent and Registrar Agreement substantially in the form attached hereto as Exhibit “C”.

SECTION 10. INVESTMENT OF PROCEEDS OF THE SERIES 2025 BONDS. The City Manager shall cause the proceeds of the Series 2025 Bonds to be invested in a manner permitted under the Bond Ordinance and under applicable law.

SECTION 11. SECONDARY MARKET DISCLOSURE. the City hereby covenants and agrees that, in order to provide for compliance by the City with the secondary market disclosure requirements of Rule 15(c)2-12 under the Securities Exchange Act of 1934, it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement, in the form attached hereto as Exhibit “E”. Digital Assurance Certification, L.L.C. is hereby designated as the Dissemination Agent thereunder. The Continuing Disclosure Agreement shall be dated the dated date of the Series 2025 Bonds and shall be substantially in the form of Exhibit “E” attached hereto with such changes, amendments, modifications, omissions and additions as shall be approved by the City Manager who is hereby authorized to execute and deliver such Agreement.

SECTION 12. GENERAL AUTHORITY. The Mayor, the City Manager, the City Clerk, the City Attorney, and the other officers, attorneys and other agents or employees of the City are hereby authorized to do all acts and things required of them by this Resolution, the Official Statement, the Bond Purchase Contract, the Paying Agent Agreement or the Continuing Disclosure Agreement or desirable or consistent with the requirements hereof or of the Bond Ordinance, this

Resolution, the Official Statement, the Bond Purchase Contract, the Paying Agent Agreement or the Continuing Disclosure Agreement for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2025 Bonds, this Resolution, the Official Statement, the Bond Purchase Contract, the Paying Agent Agreement or the Continuing Disclosure Agreement and each member, employee, attorney and officer of the City is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder, including with respect to the procurement of any Bond Insurance Policy.

SECTION 13. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Series 2025 Bonds issued hereunder.

SECTION 14. NO THIRD PARTY BENEFICIARIES. Except as otherwise expressly provided in this Resolution, nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the City, any Bond Insurer, if any, the Registrar, the Paying Agent, the Underwriters and the Holders of the Series 2025 Bonds, any right, remedy or claim, legal or equitable, under or by reason of this Resolution or any of its provisions, this Resolution and all its provisions being intended to be and being for the sole and exclusive benefit of the City, any Bond Insurer, if any, the Registrar, the Paying Agent, the Underwriters and the Holders from time to time of the Series 2025 Bonds.

SECTION 15. REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 16. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this _____ day of ____, 2025

ATTEST:

JENNIFER M. JOHNSON
CITY CLERK

MAYOR ARLENE R. SCHWARTZ

RECORD OF VOTE

Arserio _____

Ruzzano _____

Caggiano _____

Schwartz _____

Simone _____

EXHIBIT “A”

SERIES 2025 PROJECT

The proceeds of the Series 2025 Bonds will be used (i) to make the following repairs, improvements and upgrades to the System’s West Wastewater Treatment Plant (WWTP): replacement of outdated Rotating Biological Contactors (RBCs), including replacing the RBCs with modern treatment technologies like fine bubble-activated sludge; rehabilitating the WWTP headworks; and expanding the WWTP’s capacity with additional clarifiers to ensure compliance and sustainability, (ii) to replace small diameter pipes of the Water System, including asbestos concrete (AC) pipe, cast iron (CI) pipe, and 2” diameter pipe, and (iii) to provide any other repairs, improvements, replacements and upgrades to the System as authorized by the City Manager.

EXHIBIT “B”

BOND PURCHASE CONTRACT

EXHIBIT “C”

PAYING AGENT AGREEMENT

EXHIBIT “D”

PRELIMINARY OFFICIAL STATEMENT

EXHIBIT “E”

CONTINUING DISCLOSURE AGREEMENT