

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, ACCEPTING AND RATIFYING STAFF'S RECOMMENDATION FOR BID NO. IFB-190-24-OT, A BID FOR A FISCAL YEAR 2024 BANK LOAN; ACCEPTING THE RESPONSE OF WEBSTER BANK, N.A. FOR A LOAN TO FINANCE THE ACQUISITION OF MUNICIPAL VEHICLES; AUTHORIZING THE LOAN AND THE RELATED ISSUANCE OF PRIVATE HAULER FRANCHISE FEE REVENUE NOTE, SERIES 2024, IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,600,000.00; AWARDING THE NOTE; APPROVING EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND THE NOTE IN CONNECTION WITH SUCH LOAN; AUTHORIZING PROPER OFFICERS AND EMPLOYEES TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE OF THE NOTE; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Hollywood, Florida approved Resolution R-2023-380 on December 6, 2023, authorizing the City Manager or designee to seek loan proposals to borrow funds to finance the acquisition of municipal vehicles, all as more fully described in the Bid (as defined below), in an aggregate principal amount not to exceed \$6,600,000.00; and

WHEREAS, the City issued Bid No. IFB-190-24-OT (the "Bid") seeking proposals from qualified financial institutions willing to provide a loan in an aggregate principal amount not to exceed \$6,600,000.00 for the purpose of enabling the City to acquire municipal vehicles (the "Loan"); and

WHEREAS, the Loan is to be secured by and payable from the Pledged Revenues, which primarily consist of the City's Private Hauler Franchise Fee Revenues (as such terms are defined in the Loan Agreement referred to herein); and

WHEREAS, in compliance with the City's Code of Ordinances, the Bid was issued on April 1, 2024, and proposal documents were made available for electronic download from OpenGov; and

WHEREAS, the Loan is to be evidenced by a Loan Agreement with the successful bidder (the "Loan Agreement"), pursuant to which the City will issue its Private Hauler Franchise Fee Revenue Note, Series 2024 (the "Note") to evidence and secure the Loan; and

WHEREAS, funding to pay the debt service on the Note is available account numbers 557.209901.51900.574004.000000.000.000 and 557.519901.51900.574005.000000.000.000, and will be budgeted in subsequent fiscal years' operating budget subject to approval and adoption by the City Commission; and

WHEREAS, on May 6, 2024, the date specified in the Bid as the deadline for submitting responses, the City received responses from two financial institutions interested in providing the Loans; and

WHEREAS, the City received proposals from the following financial institutions interested in providing the Loan to the City, as follows:

Name	Interest Rate
Bankfunding LLC	4.890%
Webster Bank, N.A.	4.295%

;and

WHEREAS, Webster Bank, N.A. had the lowest fixed rates for the Loan; and

WHEREAS, upon review of the bids received, staff recommends that the City accept the bid of Webster Bank, N.A. (the "Lender") for the Loan, and to award the sale of the Note to the Lender.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1. Incorporation of Recitals. The foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

Section 2. Authority for this Resolution. The City Commission is authorized to adopt this Resolution (the "Resolution") under the authority granted by the provisions of Chapter 166, Florida Statutes, and other applicable provisions of law.

Section 3. Negotiated Sale; Acceptance of Response to Bid. The City accepts and approves the response to the Bid of the Lender (the "Proposal") for the Loan, and awards the Note to the Lender. The City finds that, due to the present volatility of the market for obligations such as the Note, and the complexity of the transactions relating to the Note, it is in the best interest of the City to award the Note to the Lender by a negotiated sale rather than by public sale at a specified advertised date, in order to permit the City to obtain the best possible terms and conditions, including interest rate, for the Note. As a condition of the delivery of the Note to the Lender, the Lender shall deliver to the City the disclosure statement and truth-in-bonding statement required by Chapter

218, Florida Statutes, and an investor letter substantially in the form attached as Exhibit B to the Loan Agreement.

Section 4. Authorization of the Note and Use of Proceeds. (a) The issuance of the Note and the use of the proceeds thereof as described herein are hereby approved. The City Commission authorizes the issuance of the Note in an aggregate principal amount not to exceed \$6,600,000.00, with the specific details of the Note, such as the interest rate, maturity date and prepayment provisions being as set forth in the Bid and in the Loan Agreement. The Note shall be issued for the purpose of providing funds that will be used to (i) acquire certain municipal vehicles, including, without limitation, to reimburse the City for amounts previously advanced by the City for such purpose, and (ii) pay costs of issuance thereof.

(b) The obligation of the City to repay the Note in accordance with its terms and to make any other payments, if any, required under the Note and Loan Agreement shall not be or constitute a general obligation or indebtedness of the City and neither the Note nor the Loan Agreement shall be or constitute a “bond” within the meaning of Article VII, Section 12, Florida Constitution. Neither the Lender nor any successor owner of the Note shall be entitled to compel the payment of the principal or interest on the Note or the making of any other payments required under the Note or the Loan Agreement from any moneys of the City other than the Pledged Revenues.

Section 5. Approval of Loan Documents. The City Commission approves the form of the attached Loan Agreement between the City and the Lender. Upon execution by the City Attorney to signify his approval of the form thereof, the Mayor of the City, or in his absence the Vice Mayor, are authorized and directed to execute, and the City Clerk or designee is authorized to attest, the Loan Agreement and the Note, in each case in a form consistent with the provisions of the Bid and the response from the Lender, and to deliver the Loan Agreement to the Lender. The Loan Agreement shall be in substantially the form of the attached Loan Agreement with such changes, amendments, modifications, omissions and additions as may be approved by the Mayor or Vice Mayor and the City Attorney. The Note shall be secured and payable from the Pledged Revenues as further described in the Loan Agreement. Execution of the Loan Agreement and the Note by such officials shall constitute conclusive evidence of approval by the City Commission.

Section 6. Application of the Proceeds of the Note. The proceeds derived from the sale of the Note shall be applied by the City, consistent with this Resolution, the Bid and the Loan Agreement, as set forth in a certificate executed by the City Manager and delivered at the time of issuance of the Note.

Section 7. Miscellaneous. The City Manager, the City Clerk, the City Attorney, Bond Counsel, and other authorized officers of the City are authorized and directed to execute and deliver all documents, contracts, instruments and certificates and to take all actions and steps on behalf of the City, including executing all closing certificates, that are necessary or desirable in connection with the Loan, the Loan Agreement, the Note,

or otherwise in connection with any of the foregoing, which are not inconsistent with the terms and provisions of this Resolution.

Section 8. Severability. Should any sentence, section, clause, part, or provision of this Resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this Resolution as a whole or any part thereof, other than the part declared invalid.

Section 9. Effective Date. This Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2024.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM:

DOUGLAS R. GONZALES
CITY ATTORNEY