

RESOLUTION NO. 2022-6.____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MARTIN COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF MARTIN COUNTY, FLORIDA REVENUE REFUNDING BONDS (FLORIDA POWER & LIGHT COMPANY PROJECT), SERIES 2022, (THE “SERIES 2022 BONDS”), IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$95,700,000 FOR THE PURPOSE OF REFUNDING BONDS PREVIOUSLY ISSUED BY THE COUNTY TO REFINANCE A PORTION OF THE COST OF THE ACQUISITION, INSTALLATION AND CONSTRUCTION OF POLLUTION CONTROL FACILITIES AT THE MARTIN ELECTRICAL GENERATING PLANT, WHICH IS OWNED AND OPERATED BY FLORIDA POWER & LIGHT COMPANY (“FPL”), LOCATED WITHIN MARTIN COUNTY, FLORIDA; PROVIDING THAT THE SERIES 2022 BONDS SHALL NOT CONSTITUTE A DEBT, LIABILITY OR OBLIGATION OF THE COUNTY, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, BUT SHALL BE PAYABLE SOLELY FROM THE REVENUES PROVIDED THEREFOR; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2022 BONDS, INCLUDING A LOAN AGREEMENT, A TRUST INDENTURE, AN UNDERWRITING AGREEMENT AND OFFICIAL STATEMENT; APPROVING A NEGOTIATED SALE OF THE SERIES 2022 BONDS; DESIGNATING THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS TRUSTEE, TENDER AGENT, REGISTRAR AND PAYING AGENT; APPROVING THE APPOINTMENT OF THE UNDERWRITER AS THE INITIAL REMARKETING AGENT; APPROVING THE ISSUANCE OF THE BONDS PURSUANT TO THE REQUIREMENTS OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION WITH THE DELIVERY OF SAID SERIES 2022 BONDS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MARTIN COUNTY, FLORIDA:

SECTION 1. Findings. The Board of County Commissioners (the “Board”) of Martin County, Florida (the “County”), hereby finds, determines and declares that:

(a) The County is a political subdivision of the State of Florida, and is a “local agency” as defined in Chapter 159, Part II, Florida Statutes, as amended (the “Act”). As such, the County is authorized to finance and refinance capital projects for the public purposes described in, and in the manner provided by the Act, and to issue its revenue bonds payable solely from revenues derived from the sale, operation or leasing of capital projects or from other payments received under financing agreements with respect thereto, for the purpose of financing or refinancing the Cost of the construction of improvements, additions, extensions or enlargements to the project.

(b) In furtherance of the statutory purposes of the Act, the County has previously issued its Pollution Control Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2000, in the aggregate principal amount of \$95,700,000 (the “Series 2000 Bonds” or the “Refunded Bonds”) under a Trust Indenture between the Issuer and The Bank of New York, now succeeded to by The Bank of New York Mellon Trust Company, N.A. (in such capacity, the “Prior Trustee”) dated as of April 1, 2000 (the “Prior Indenture”), the proceeds of which were applied for the purpose of refunding by redemption a series of revenue refunding bonds previously issued by the County to refinance a portion of the Cost (as defined in the Act) of the acquisition, installation and construction of certain pollution control facilities (the “Project”) used by Florida Power & Light Company (“FPL”) at the Martin Electrical Generating Plant, which is owned by FPL, located in the County.

(c) FPL has requested that the County issue a series of bonds in the aggregate principal amount of not to exceed \$95,700,000 and designated Martin County, Florida Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2022 (the “Series 2022 Bonds”), and lend the proceeds thereof to FPL for the purpose of paying for all or a portion of the cost of refunding by redemption the Prior Bonds, or such portion of the Prior Bonds as FPL shall direct to be refunded (the “Refunded Bonds”). FPL has represented that the proceeds of the Series 2022 Bonds will be sufficient, along with funds contributed by FPL, to pay all of the cost of refunding the Refunded Bonds.

(d) The County will enter into a Loan Agreement (the “Loan Agreement”) with FPL, to be dated on or before the date on which the Series 2022 Bonds are issued, pursuant to which: (i) the County, concurrently with the issuance of the Series 2022 Bonds, will lend to FPL the proceeds from the sale of the Series 2022 Bonds to pay a portion of the cost of refunding the Refunded Bonds; and (ii) FPL agrees (A) to apply the proceeds of the sale of the Series 2022 Bonds to the refunding of the Refunded Bonds, and (B) to repay such loan and interest thereon in installments (the “Loan Repayments”) on the dates required to pay the principal of and premium, if any, and interest on the Series 2022 Bonds, whether at maturity, upon redemption or otherwise. The County has determined and does hereby determine that it is desirable and in the public interest for the County to lend the proceeds of the Series 2022 Bonds to FPL under the terms of the Loan Agreement for the purpose of financing a portion of the cost of refunding the Refunded Bonds.

(e) FPL’s obligation to make Loan Repayments shall be a general obligation of FPL.

(f) The Series 2022 Bonds will be issued under a Trust Indenture, dated as of the same date as the Loan Agreement (the “Indenture”), between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), pursuant to which the County will assign to the Trustee as security for the Series 2022 Bonds certain of its rights under the Loan Agreement, including its rights to receive the Loan Repayments payable by FPL thereunder and pursuant to which the Trustee will serve as trustee for the Series 2022 Bonds.

(g) The County hereby makes the following determinations with respect to the Project:

(i) The Project is appropriate to the needs and circumstances of, and makes a significant contribution to the economic growth of, the County, protects the environment, preserves gainful employment, and serves a public purpose by advancing the public health

and the general welfare of the State of Florida and its people, as stated in Section 159.26, Florida Statutes, as amended.

(ii) The Project is owned and operated by a financially responsible corporation, which is fully capable and willing to fulfill (A) its obligations under the Loan Agreement, including the obligation of FPL to pay Loan Repayments in installments in the amounts and at the times required to provide for the timely payment of the principal of and premium, if any, and interest on the Series 2022 Bonds, (B) its obligation to operate, repair and maintain the Project at its own expense and to serve the purposes of the Act and (C) all other obligations and responsibilities imposed on FPL under the Loan Agreement.

(iii) The County and any other local agencies in the County have been and will be able to cope satisfactorily with the impact of the Project and have been and will be able to provide, or cause to be provided when needed, the public facilities, including utilities and public services, that are and will be necessary for the construction, operation, repair and maintenance of the Project and on account of any increases in population or other circumstances resulting therefrom.

(iv) Adequate provision will be made in the Loan Agreement for the operation, repair and maintenance of the Project at the expense of FPL and for the payment by FPL of the Loan Repayments in installments sufficient to pay the principal of and premium, if any, and interest on the Series 2022 Bonds.

(h) FPL has requested that the County enter into an Underwriting Agreement (the “Underwriting Agreement”), in substantially the form of the agreement previously submitted to the County Attorney and the County’s Bond Counsel for their review, between the County and the underwriter named therein, as underwriter and initial purchaser of the Series 2022 Bonds (the “Underwriter”), whereby the County will agree to sell to the Underwriter, and the Underwriter will agree to purchase from the County, all of the Series 2022 Bonds, at a purchase price hereinafter authorized, all on the basis of the representations and the terms and conditions set forth in the Underwriting Agreement and the Letter of Representation (the “Letter of Representation”) from FPL to the County and the Underwriter, the form of which is attached as an exhibit to the Underwriting Agreement.

(i) Pursuant to Section 218.385, Florida Statutes, as amended, the County hereby approves a negotiated sale of the Series 2022 Bonds, based upon the following findings as to the reasons requiring such negotiated sale:

(i) The manner in which the Series 2022 Bonds shall be sold, so long as complying with all applicable federal and state statutes, shall be the prerogative of FPL since the obligation for the payment of the Series 2022 Bonds rests solely with FPL and neither the County, the State of Florida nor any political subdivision thereof is responsible for such repayment or any associated expense. Additionally, the proceeds of the Series 2022 Bonds are to be used solely to refinance the Cost of the Project for FPL, which is a private party.

(ii) Because of the complex nature of the financing, the structure and timing of the issuance of the Series 2022 Bonds require extensive planning. It is impracticable for FPL and the Underwriter to engage in such planning within the time constraints and uncertainties inherent in a competitive bidding process.

(iii) The vagaries of the current and near future municipal bond market demands that the Underwriter have the maximum time and flexibility to price and market the Series 2022 Bonds, in order to obtain the best interest rates available. The Series 2022 Bonds will be marketed at variable interest rates.

The County has received, or will receive on or before the execution and delivery of the Underwriting Agreement, a disclosure statement from the Underwriter, setting forth the information required by Section 218.385, Florida Statutes, as amended.

(j) Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), requires the approval by the Board of the issuance of the Bonds after a public hearing on the matter has been held and the Board on the date hereof has held a public hearing pursuant to notice duly published pursuant to the public approval requirements of Section 147(f) of the Code. A copy of the proof of publication of the notice is attached hereto as Exhibit A.

SECTION 2. The Series 2022 Bonds. The County will issue and sell the Series 2022 Bonds under the authority of the Act, in the aggregate principal amount of not to exceed \$95,700,000. The Series 2022 Bonds shall be designated “Martin County, Florida Revenue Refunding Bonds (Florida Power & Light Company Project), Series 2022”. The Series 2022 Bonds shall be issued in such principal amount (not to exceed \$95,700,000), shall be dated no later than the date of delivery of the Series 2022 Bonds, shall mature on such date in such year or years, but not later than thirty (30) years from the date thereof, shall bear interest at such variable rate or rates, with an initial interest rate not in excess of seven percent (7%) per annum (and in no event in excess of the maximum rate allowed by Florida law), payable on such dates, and may be subject to optional redemption, all as determined and established in the Underwriting Agreement and the Indenture. The Chairman or Vice Chairman of the Board is hereby authorized to approve, on behalf of the County, the principal amount of the Series 2022 Bonds, the date of the Series 2022 Bonds, the maturity date or dates, the interest rate or rates, the interest payment dates and any optional redemption provisions, such approval to be conclusively evidenced by the execution and delivery of the Underwriting Agreement. The Series 2022 Bonds shall be issued as fully registered bonds in the denominations and the forms provided for in the Indenture and may be subject to redemption and optional and mandatory tender for purchase as provided in the Indenture, with such appropriate variations, omissions or insertions as are permitted or required by the Indenture or by Bond Counsel, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto. The execution and delivery of the Series 2022 Bonds substantially in the form mentioned above is hereby authorized, and the execution of the Series 2022 Bonds for and on behalf of the County, with a facsimile or manual signature, by the Chairman or Vice Chairman of the County with the official seal of the Board impressed or imprinted thereon and attested, with a facsimile or manual signature, by the Clerk or Deputy Clerk, are hereby authorized and shall be conclusive evidence of any such approval.

The Series 2022 Bonds and the premium, if any, and interest thereon shall not be deemed to constitute a debt, liability or obligation of the County, the State of Florida or any political subdivision thereof. Neither the County, the State of Florida nor any political subdivision thereof shall be obligated to pay the principal of or the premium, if any, or the interest on the Series 2022 Bonds except from the Loan Repayments and other revenues derived from FPL or other security under the Indenture, and neither the faith and credit nor any taxing power of the County, the State of Florida or any political subdivision thereof, is pledged to the payment of the principal of or premium, if any, or interest on the Series 2022 Bonds or other costs incident thereto. Bondholders shall never have the power to compel the exercise of ad valorem taxation by the County for their payment, and the County shall never be compelled or required to expend any of its funds for such purposes.

SECTION 3. Use of Proceeds. The proceeds received from the sale of the Series 2022 Bonds herein authorized shall be lent to FPL and, in accordance with the Indenture, shall be applied solely to pay the principal portion of the cost of the refunding of the Refunded Bonds.

SECTION 4. Approval of Loan Agreement. The execution and delivery of the Loan Agreement by and between the County and FPL is hereby authorized and approved. The Loan Agreement shall be executed by and on behalf of the County by the Chairman or Vice Chairman of the Board with the official seal of the Board impressed thereon, and attested by the Clerk of the Board or Deputy Clerk of the Board. The Loan Agreement shall be in substantially the form presented to the County Attorney and the County's Bond Counsel prior to the meeting of the Board at which this resolution is adopted and as filed in the records of the Board, subject to such changes, insertions and omissions and such filling in of blanks therein as hereafter may be approved and made in the Loan Agreement by the officers of the County executing the same pursuant to this Section upon the advice of the County Attorney and the County's Bond Counsel, the execution of the Loan Agreement for and on behalf of the County by such officers being conclusive evidence of their approval of any such changes, insertions, omissions or filling in of blanks.

SECTION 5. Appointment of Trustee and Approval of Indenture and Other Agents. The Bank of New York Mellon Trust Company, N.A., a national banking association, is hereby designated to serve as Trustee under the Indenture. The County also approves the appointment of The Bank of New York Mellon Trust Company, N.A., to serve as the initial Tender Agent, Paying Agent, and Registrar with respect to the Series 2022 Bonds. The execution and delivery of the Indenture by and between the County and the Trustee is hereby authorized and approved. The Indenture shall be executed by and on behalf of the County by the Chairman or Vice Chairman of the Board with the official seal of the Board impressed thereon and attested by the Clerk or Deputy Clerk of the Board. The Indenture shall be in substantially the form presented to the County Attorney and the County's Bond Counsel prior to the meeting of the Board at which this resolution is adopted and as filed in the records of the Board, subject to such changes, insertions (including provisions with respect to bond insurance, if any) and omissions and such filling in of blanks therein as hereafter may be approved and made by the officers of the County executing the Indenture upon the advice of the County Attorney and the County's Bond Counsel, the execution of the Indenture for and on behalf of the County by such officers being conclusive evidence of the approval of the appointment of the Tender Agent, Paying Agent, Registrar, and Remarketing Agent and of any such changes, insertions, omissions or filling in of blanks.

SECTION 6. Award of Series 2022 Bonds; Approval of the Underwriting Agreement and Acceptance of Letter of Representation; Approval of Appointment of Remarketing Agent. The Series 2022 Bonds are hereby awarded and sold to the Underwriter pursuant to the terms and conditions of the Underwriting Agreement and the Indenture. The execution and delivery of the Underwriting Agreement, and the acceptance of the Letter of Representation, are hereby authorized and approved, provided that the Underwriting Agreement shall be executed by the County on or before July 14, 2022. The Underwriting Agreement and the Letter of Representation shall be executed by and on behalf of the County by the Chairman or Vice Chairman of the Board and, if requested, with the official seal of the Board impressed thereon and attested by the Clerk or Deputy Clerk of the Board. The Underwriting Agreement shall be in substantially the form presented to the County Attorney and the County's Bond Counsel prior to the meeting of the Board at which this resolution is adopted and as filed in the records of the Board, subject to such changes, insertions and omissions and such filling in of blanks (including final purchase price) therein as hereafter may be approved and made in such form of Underwriting Agreement or the Letter of Representation by the Chairman or Vice Chairman executing the same pursuant to this Section upon the advice of the County Attorney and Bond Counsel, the execution of the Underwriting Agreement for and on behalf of the County by such Chairman or Vice Chairman being conclusive evidence of the approval of any such changes, insertions, omissions or filling in of blanks. The County hereby agrees to sell the Series 2022 Bonds to the Underwriter in accordance with the provisions of the Underwriting Agreement, pursuant to the terms and conditions set forth therein and herein, at a purchase price equal to not less than 98% of the principal amount of the Series 2022 Bonds (without regard to original issue discount, if any), plus accrued interest, if any, with the final purchase price for the Series 2022 Bonds (including original issue discount, if any) specified in the Underwriting Agreement as executed and delivered by the Chairman or Vice Chairman of the Board pursuant to this Section. Prior to executing and delivering the Underwriting Agreement, the County shall have received a disclosure statement from the Underwriter, setting forth the information required by Section 218.385, Florida Statutes, as amended. The County hereby approves the appointment of the Underwriter to serve as the initial Remarketing Agent for the Series 2022 Bonds.

SECTION 7. Approval of the Official Statement. The distribution by the Underwriter of the Official Statement (the "Official Statement"), in substantially the form presented to the County Attorney and the County's Bond Counsel prior to the meeting of the Board at which this resolution is adopted and as filed in the records of the Board, is hereby authorized and approved, subject to such changes, modifications, deletions and additions as the Chairman or Vice Chairman, upon the advice of the County Attorney and the County's Bond Counsel, may deem necessary and appropriate, the execution of the Indenture for and on behalf of the County by the Chairman or Vice Chairman being conclusive evidence of the approval of any such changes. The County has not confirmed, and assumes no responsibility for, the accuracy, sufficiency or fairness of any statements in the Official Statement or any supplements thereto, other than statements and information therein relating to the County under "Introductory Statement" and "Disclosure Required by Florida Blue Sky Regulations."

SECTION 8. Authentication of Series 2022 Bonds. The Series 2022 Bonds, upon their execution substantially in the form and manner set forth in the Indenture, shall be delivered to the Registrar for authentication, and the Registrar is hereby authorized and directed to authenticate and to deliver the Series 2022 Bonds to the Underwriter, upon payment of the purchase price

therefor, all as more fully provided in, and subject to the terms and conditions of, the Underwriting Agreement and the Indenture.

SECTION 9. Authorization of Further Actions; Additional Covenants and Agreements. The officers, employees and agents of the County are hereby authorized and directed to do all acts and things and to execute and deliver any and all documents and certificates which they deem necessary or advisable in order to consummate the issuance of the Series 2022 Bonds, including but not limited to, a tax certificate and agreement, any post-issuance compliance policies and procedures, and other closing documentation, whether or not expressly contemplated herein, and otherwise to carry out, give effect to and comply with the terms and intent of this resolution, the Series 2022 Bonds and the documents herein described.

SECTION 10. Public Hearing Held; Approval For Purposes Of Section 147(F) Of The Code. The Board, on this date, has held a duly called and convened public hearing pursuant to the provisions and upon the terms and conditions set forth in Section 147(f) of the Code. Anyone who wanted to speak for or against the refinancing of the Project, and the issuance of the Bonds was given an opportunity to do so. The issuance of the Bonds pursuant to a plan of financing is hereby approved for purposes of Section 147(f) of the Code. This approval is solely for purposes of Section 147(f) of the Code and shall not be construed as an approval of any zoning or rezoning application or any regulatory permit required in connection with the Project, nor creating any vested rights with respect to any land use regulations, and the Commission shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting any authority or responsibilities it may have in that regard. Adoption of this Resolution by the Commission does not constitute an endorsement or recommendation to a prospective purchaser of the Bonds or the creditworthiness of the Borrower or the Project, or an evaluation of the likelihood of payment of the debt service on the Bonds.

SECTION 11. Severability. In case any one or more of the provisions of this resolution or any document approved hereby shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this resolution or such document, as the case may be, and such other provisions shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

SECTION 12. Governing Law. The Series 2022 Bonds are to be issued and this resolution is adopted and the Loan Agreement, Indenture, the Underwriting Agreement and such other instruments (other than the Letter of Representation) necessary for the issuance of the Series 2022 Bonds shall be executed and delivered with the intent that the laws of the State of Florida shall govern their construction.

SECTION 13. Effective Date. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 21st day of June, 2022 at a regular meeting duly called and held.

ATTEST

MARTIN COUNTY, FLORIDA

CAROLYN TIMMANN
CLERK OF THE CIRCUIT COURT
AND COMPTROLLER

DOUG SMITH, CHAIRMAN
BOARD OF COUNTY COMMISSIONERS

APPROVED AS TO FORM & LEGAL
SUFFICIENCY:

ELYSSE A. ELDER
SENIOR ASSISTANT COUNTY ATTORNEY

EXHIBIT A

Proof of Publication of Public Hearing Notice