

RESOLUTION NO-89

A RESOLUTION OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED LOAN AGREEMENT BETWEEN THE TOWN AND WACHOVIA BANK, N.A., SUCCESSOR BY MERGER TO REPUBLIC SECURITY BANK, TO AMEND AND RESTATE THE LOAN AGREEMENT DATED JUNE 4, 2001 BETWEEN THE TOWN AND THE BANK TO REFLECT CHANGES RESULTING FROM THE NEW STATE OF FLORIDA COMMUNICATIONS SERVICES ACT, AMONG OTHER MATTERS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED PROMISSORY NOTE, SERIES 2001A, IN THE PRINCIPAL AMOUNT OF \$1,000,000 PREVIOUSLY ISSUED BY THE TOWN TO REFLECT THE MODIFICATIONS TO THE ORIGINAL LOAN AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND PROMISSORY NOTE IN THE PRINCIPAL AMOUNT OF \$2,800,000 PURSUANT TO THE AMENDED AND RESTATED LOAN AGREEMENT TO FINANCE THE ACQUISITION OF CERTAIN REAL PROPERTY WITHIN THE TOWN; PROVIDING FOR THE REPAYMENT OF SUCH PROMISSORY NOTES FROM CERTAIN REVENUES OF THE TOWN; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town and Republic Security Bank previously entered into a Loan Agreement dated as of June 4, 2001 (the "Original Loan Agreement"), pursuant to which Republic Security Bank loaned the Town \$1,000,000 pursuant to a Promissory Note dated June 5, 2001 (the "Original Note"), to finance the acquisition of certain real property within the Town to be used for public purposes (the "First Project"); and

WHEREAS, the Town pledged its "Franchise Fees" and "Public Service Tax" (as such terms are defined in the Original Loan Agreement) to the payment of amounts due under the Original Loan Agreement and the Original Note, as well as its covenant to budget and appropriate from legally available non-ad valorem revenues the sums necessary to pay the amounts due under the Original Loan Agreement and the Original Note; and

WHEREAS, the Florida Legislature has enacted Chapters 2000-260 and 2001-140, Laws of Florida, codified as Chapter 202, Florida Statutes (collectively, the "Communications Services Act"), which, effective as of October 1, 2001, substitutes a uniform statewide communications services tax on certain communication providers in lieu of the public service tax authorized to be levied on certain telecommunications services, affects franchise fees previously received by counties and municipalities from certain telecommunications providers, and grants counties and municipalities the right to levy a discretionary communications services tax, among other matters; and

WHEREAS, Wachovia Bank, N.A., successor by merger to Republic Security Bank (the

“Bank”), and the Town now desire to amend and restate the Original Loan Agreement in order to modify the definitions of “Franchise Fees” and “Public Service Tax,” to add additional definitions and to make certain other modifications necessary to reflect changes resulting from the Communications Services Act; and

WHEREAS, the Town desires to borrow from the Bank an additional amount of \$2,800,000 (the “Additional Loan”), pursuant to a promissory note (the “Second Note”), for the purpose of financing the acquisition of approximately 45 acres of real property within the Town to be used for public purposes (the “Second Project”) and the Bank and the Town desire to further amend the Original Loan Agreement to provide for the Additional Loan; and

WHEREAS, in furtherance of the foregoing, the Bank and the Town desire to amend the Original Loan Agreement and restate the Original Loan Agreement in its entirety, hereby, to amend the Original Note to reflect the amendment and restatement of the Original Loan Agreement and to make conforming changes; and to provide for the Additional Loan and the issuance of the Second Note, all as more fully set forth herein;

NOW THEREFORE, BE IT RESOLVED by the Town Council of the Town of Southwest Ranches, Florida:

Section 1. Authorization of Amended and Restated Loan Agreement and Promissory Notes. The First Project is hereby ratified and confirmed and the Second Project is hereby approved. The Amended and Restated Loan Agreement (the “Agreement”), substantially in the form attached hereto as Exhibit A, is hereby approved, with such changes, deletions, modifications and insertions as may be approved by the Town Administrator of the Town of Southwest Ranches (the “Town Administrator”) in consultation with the Town Attorney of the Town of Southwest Ranches (the “Town Attorney”). The Mayor of the Town (the “Mayor”) or the Vice-Mayor of the Town (the “Vice-Mayor”), the Town Administrator or his designee and the Town Attorney are hereby authorized and directed to execute, and the Town Clerk of the Town or Assistant Town Clerk of the Town (collectively, the “Town Clerk”) are hereby authorized to attest to, the Agreement. Execution of the Agreement by such officials shall constitute conclusive evidence of the approval thereof by the Town. The Town hereby authorizes the delivery of the amended and restated Original Note (the “First Note”) and the Second Note, in each case substantially in the form attached to the Agreement, with such changes, deletions, modifications and insertions as may be approved by the Town Administrator in consultation with the Town Attorney. The Mayor or Vice-Mayor is hereby authorized to execute, and the Town Administrator or his designee is hereby authorized to attest to, the First Note and the Second Note and to deliver the same to the Bank. Execution of the First Note and Second Note by such officials shall constitute conclusive evidence of the approval thereof by the Town.

The First Note and Second Note (collectively, the “Notes”) shall be issued pursuant to the Agreement on a parity with one another and shall be secured equally and ratably under the Agreement by the revenues of the Town pledged therefor, as described in the Agreement. All provisions, covenants, pledges and conditions of the Agreement shall be applicable to the Notes. The Town is authorized to, and hereby pledges, the Franchise Fees, proceeds of the Public Service Tax and the Communications Services Tax Revenues to the payment of the Notes and

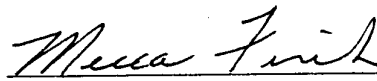
the Town's obligations under the Agreement. As further security, the Town shall annually budget and appropriate from legally available non-ad valorem revenues an amount sufficient to pay all amounts due to the Bank under the Notes and the Agreement in the applicable budget year, as more fully provided in the Agreement. The Town hereby designates each of the Notes as a "qualified tax-exempt obligation" within the meaning of Section 265(b) of the Code.

Section 2. Award of Notes. The Town hereby confirms the negotiated sale of the Original Note (as amended and restated as provided in the Agreement) to the Bank and finds that because of the nature of the Second Note and the prevailing market conditions, the negotiated sale of the Second Note to the Bank is in the best interest of the Town. The Second Note shall not be delivered to the Bank until the Town has received the disclosure statement and truth-in-bonding statement required by Chapter 218, Florida Statutes.

Section 3. Further Authorizations. The Mayor, Vice-Mayor, Town Administrator, and Town Attorney are each authorized and directed to execute any and all certifications or other agreements or any other documents required by the Town Council as a prerequisite or precondition to making the loan in the Agreement, and any such representation made therein shall be deemed to be made on behalf of the Town. All action taken to date by the officers of the Town in furtherance of the issuance of the Notes are hereby ratified, approved and confirmed.

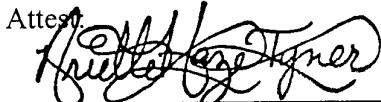
Section 4. Severability; Effective Date. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of the other provisions hereof or of the Notes or the Agreement. This Resolution shall become effective upon its passage and adoption. To the extent the provisions hereof and of Resolution No. 2001-59 of the Town, adopted on May 24, 2001, are inconsistent, the provisions hereof shall be deemed to supercede the provisions of Resolution No. 2001-59.

PASSED AND ADOPTED by the Town Council of the Town of Southwest Ranches, Florida this 13th day of September, 2001.



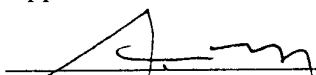
Mecca Fink, Mayor

Attest:



Arielle Haze Tyner, Town Clerk

Approved as to Form and Correctness:



Gary A. Poliakoff, J.D., Town Attorney

666239_1.DOC